

Harris County Hurricane Harvey Recovery



DRAFT HARRIS COUNTY SUPPLEMENTAL ACTION PLAN

FOR HURRICANE HARVEY COMMUNITY
DEVELOPMENT BLOCK GRANT DISASTER RECOVERY
FUNDING (ROUND ONE)

Draft Harris County Supplemental Action Plan submitted for Public Review
on June 27, 2018 to July 10, 2018.

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I. Executive Summary

The U.S. Department of Housing and Urban Development (HUD) has allocated \$5.024 billion in Community Development Block Grant Disaster Recovery (CDBG-DR) funding to the State of Texas in response to Hurricane Harvey, FEMA DR 4332, through the Federal Register, Vol. 83, No. 28. The Texas General Land Office (GLO) is the State's administrating agency for these funds.

In the *State of Texas Plan for Disaster Recovery: Hurricane Harvey – Round 1* CDBG-DR Action Plan, which can be found at <http://www.glo.texas.gov/recovery/reports/action-plans/index.html> on the GLO website, Harris County was identified as a “most impacted and distressed” area and was allocated by the State, along with the City of Houston, a direct allocation from the State's CDBG-DR allocation. As Harris County and the City of Houston have elected to develop its own local recovery programs, both jurisdictions are required to develop local supplemental action plans to be submitted as a substantial amendment under the State of Texas Action Plan.

In consultation with the GLO, Harris County has been given technical assistance to develop their local supplemental action plan (SAP). The County's SAP includes a needs assessment, community engagement efforts, description of unmet needs, and county's use of funds and program descriptions, and expenditure timelines. The following document is Harris County local supplemental action plan.

During Hurricane Harvey, all 4.7 million people in Harris County were impacted directly or indirectly during the flood. The peak total rainfall over a 4-day period from Harris County Flood Control District gages was 47.4 inches. This record rainfall was deadly and devastating to county residents. Over 60,000 residents were rescued by government resources across the county, most of them from their homes. Over 32,000 residents would be transported to one of 65 temporary shelters in Harris County, where most would wait days until the waters receded to return to damaged homes. It is estimated that over 300,000 vehicles were flooded across Harris County. The Harris County Medical Examiner's Office confirms 36 flood related deaths in the county, including several people drowning in their home or work place.

The resulting devastation of Hurricane Harvey has left the county with an unmet need of over \$12.5 billion in housing and infrastructure damage or failure to function. The following table provides a summary of Harris County's unmet needs. It should be noted that the County will be participating in the State's Economic Development Program.

Table 1: Summary of Total Unmet Need in Harris County (outside the City of Houston)

Category	Unmet Needs	% of Unmet Need	County Program Allocation Amount	% of County Program Allocation
Housing	\$2,503,075,688	20%	\$837,097,816	79%
Infrastructure	10,024,997,794	80%	\$222,519,672	21%
TOTAL	\$12,528,073,482	100%	\$1,059,617,488	100%

Note: Allocations do not include planning costs.

There are additional gaps and unmet needs not reflected in the assessment. The County will continue to gather and refine information, such as data and public input, which will continue to

inform the CDBG-DR process and program design. Table 2 shows Harris County's total allocation budget for CDBG-DR funding.

Table 2: Total Allocation Budget – Harris County (outside the city of Houston)

Program		HUD Most Impacted Areas (80%)	State Most Impacted Areas (20%)	LMI Amount (70% of Total Allocation)	Total	% of Total Allocation by Program	% of Total Allocation	Total
Direct Programs	City of Houston	\$ 1,155,119,250	-	\$ 808,583,475	\$ 1,155,119,250	22.99%	45.19%	\$ 2,270,506,080
	Harris County	\$ 1,115,386,830	-	\$ 780,770,781	\$ 1,115,386,830	22.20%		
Direct Allocation Subtotal		\$ 2,270,506,080	-	\$ 1,589,354,256	\$ 2,270,506,080			
State of Texas		\$ 2,202,967,136	\$ 550,741,784	\$ 164,496,406	\$ 2,753,708,920	54.81%	54.81%	\$ 2,753,708,920
State Allocation Subtotal		\$ 2,202,967,136	\$ 550,741,784	\$ 164,496,406	\$ 2,753,708,920			
Harris County Programs								
Harris County Housing	Homeowner Assistance Program	\$ 211,000,000	-	\$ 147,700,000	\$ 211,000,000	18.9%	16.7%	\$837,097,816
	Buyout & Acquisition/Homebuyer Asst	\$ 200,000,000	-	\$ 140,000,000	\$ 200,000,000	15.7%		
	Reimbursement Program	\$ 15,000,000	-	\$ 7,000,000	\$ 10,000,000	2.2%		
	Homeless Prevention/Rental Asst Program	\$ 7,500,000	-	\$ 5,250,000	\$ 7,500,000	0.9%		
	Affordable Rental Program	\$ 221,629,991	-	\$ 158,640,994	\$ 226,629,991	0.7%		
	SF New Construction	\$ 115,000,000	-	\$ 80,500,000	\$ 115,000,000	20.0%		
	Housing Project Delivery	\$ 50,225,869	-	\$ 35,158,108	\$ 50,225,869	6%		
	Housing Admin	\$ 16,741,956	-		\$ 16,741,956	2%		
Harris County Infrastructure	Commercial Buyout Program	\$ 12,500,000	-	\$ 8,750,000	\$ 12,500,000	6%	4.4%	\$222,519,672
	Method of Distribution (Local)	\$ 120,000,000	-	\$ 84,000,000	\$ 120,000,000	54%		
	Competitive Application	\$ 76,668,492		\$ 53,667,944	\$ 76,668,492	34%		
	Infrastructure Project Delivery	\$ 13,351,180		\$ 9,345,826	\$ 13,351,180	6%		
Harris County Planning	Harris County Planning	\$ 55,769,342	-	\$ 39,038,539	\$ 55,769,342		1.1%	\$ 55,769,342
Harris County Allocation Subtotal		\$1,115,386,830	-	\$ 780,77,781	\$1,115,386,830			
Grand Total Allocation		\$ 4,473,473,216	\$ 550,744,784	\$ 3,243,850,662	\$ 5,024,215,000	100%	100%	\$ 5,024,215,000

II. Needs Assessment

A. Cumulative Impact of Prior Disasters

Harris County has been impacted by six Presidential Declared Disasters in the last ten years. On September 13, 2008, Hurricane Ike, a Category 2 storm, made landfall along the upper Texas gulf-coast and was at the time the third most destructive hurricane and the third costliest U.S. hurricane. Harris County took a direct hit from the storm with projected cost of \$3.58 billion in residential housing damage to over 230,502 housing units. Infrastructure damage was estimated at \$582 million to repair critical infrastructure and facilities.

In 2015 and 2016, Harris County suffered four Presidential Declared Disasters: Memorial Day floods (DR 4223) of 2015, October floods (DR 4245) of 2015, Tax Day floods (DR 4269) of 2016, and May/June floods (DR 4272) of 2016. In the 2015 events, FEMA Individual Assistance (AI) reported \$10,553,227 in housing damage. The 2016 events were higher in severity with \$74,642,169 in FEMA reported housing damage affecting 11,164 housing units. The unmet housing need was \$37,553,806.

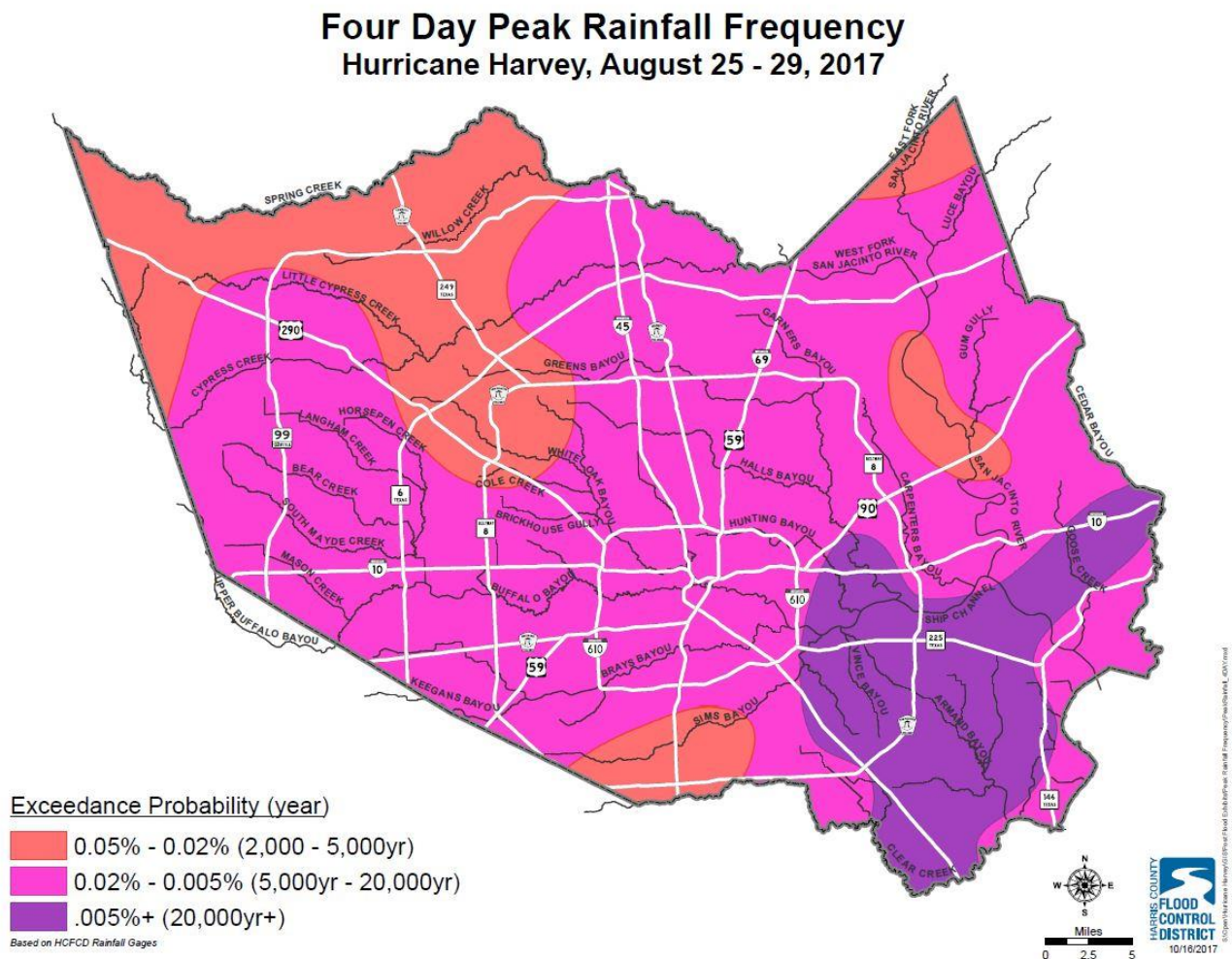
The cumulative impact of these past disaster with Hurricane Harvey has been devastating to local residents, businesses, and institutions. Recovery from one disaster has been exacerbated by those floods that followed.

B. Impact of Hurricane Harvey

Hurricane Harvey was the second most costliest tropical cyclone impacting the United States. A total of 1 trillion gallons of water fell across Harris County over the 4 day period, which would fill NRG Stadium 1,472 times and cover Harris County's 1,777 sq. miles with an average of 33.7 inches of water. This volume of water would also run Niagara Falls for 15 days. Disastrous flooding occurred on many of the watersheds in the County and exceeded previous historical flooding records, including the worst storm event ever recorded for a similar square mile area in the state of Louisiana in August 1940 by 3.9 inches.

Harvey produced the largest and most devastating house flooding event ever recorded in Harris County. Structure flooding occurred from both overflowing creeks and bayous as well as internal drainage systems being overwhelmed by the intense short duration rainfall rates. Both the Addicks and Barker Reservoirs reached their peaked on August 30th exceeding previous pool records. These two Reservoirs combined impounded a total of 388,726 acre-feet of water at peak pool elevation or 126 billion gallons of water which would fill NRG Stadium 187 times. Widespread flooding of homes and streets occurred within the pools upstream of Addicks and Barker Reservoirs as well as flooding of major roadways within the reservoirs. Downstream of the reservoirs, the Corps of Engineers made the decision to release a combined 16,000 cfs, this is the highest release rate since the outlets were fully gated in 1963 causing flooding.

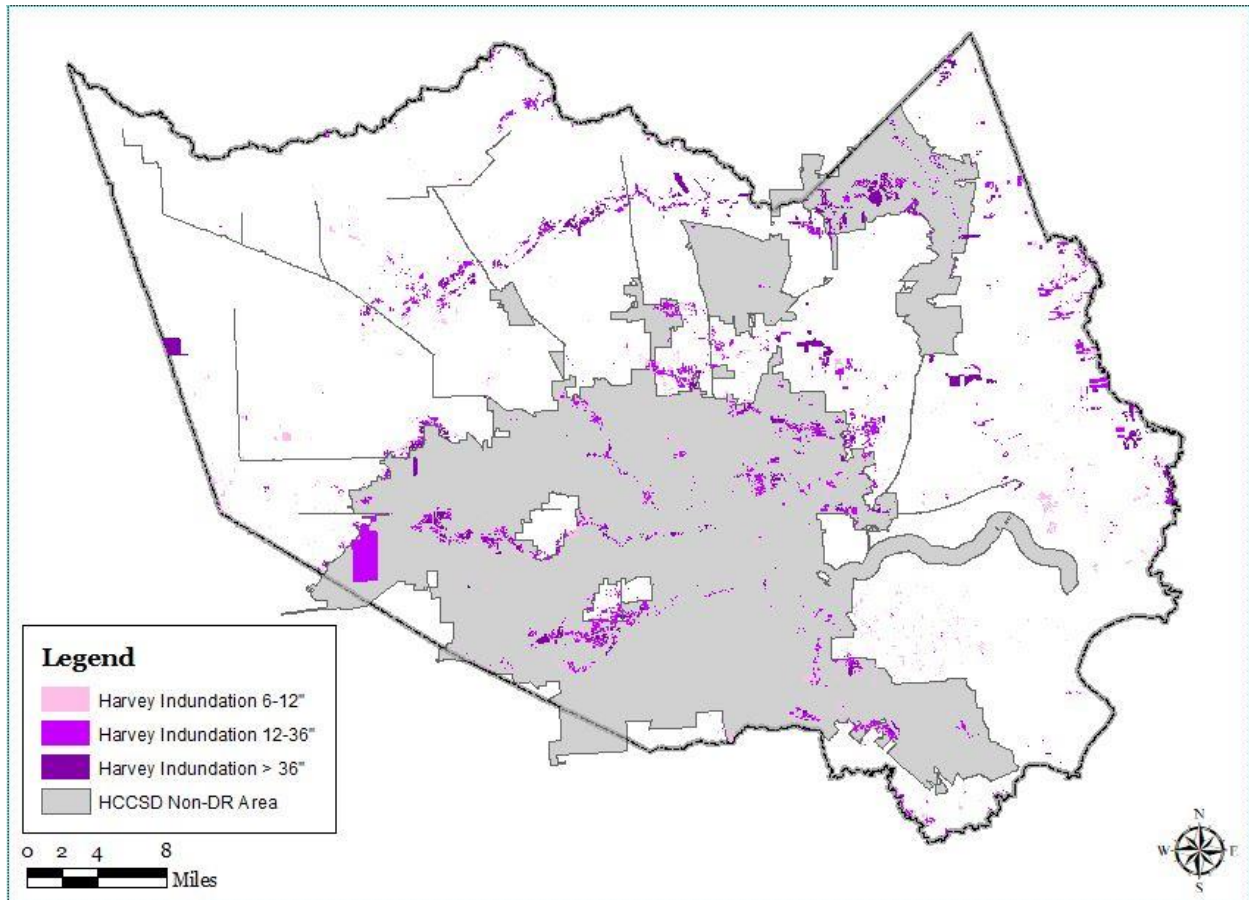
Map 1: Four Day Peak Rainfall Frequency, Harris County



In the three weeks after the storm several Federal relief agencies began to offer assistance. The Disaster Supplemental Nutrition Assistance Program (D-SNAP) is a short-term food assistance program to benefit families recovering from a disaster. The Texas Health and Human Services Commission with the partnership of Harris County, opened D-SNAP assistance locations in Harris County and reported the intake of over 678,000 D-SNAP applications.

The Federal Emergency Management Agency (FEMA) also opened online and co-located with Harris County in Disaster Assistance Centers to intake and offer application assistance to those affected by Hurricane Harvey. In viewing the FEMA Individual Assistance Data, in Harris County (outside the city of Houston), there were 160,695 households FEMA registrants. Slightly over 53 percent were provided FEMA assistance for their recovery. Of those FEMA 178,627 applicants eligible for Temporary Shelter Assistance as they were displaced from their housing, 23,392 Harris County applicants checked into FEMA lodging (i.e. hotels or rental units).

Map 2: Flood Inundation over 6 inches, Harris County



C. Resiliency Solutions and Mitigation Needs

Harris County will follow the State's resiliency solutions as stated in the State of Texas *Plan for Disaster Recovery: Hurricane Harvey – Round 1*.

D. Demographic Profile of Impacted Counties

The demographic profile data was generated using data sets from the U.S. Census Bureau and HUD. Harris County population outside the city of Houston but including 33 small cities is 2,285,540 persons or 8.20 percent of the State's population. The area's population by race/ethnicity as seen in Table 3 is 36.41 percent white; 15.18 percent Black; 6.35 percent Asian; 39.98 percent Hispanic; and 1.91 percent other. There are over 787,507 housing units in the County (outside the city of Houston).

Table 3: 2016 Demographic Statistics for Harris County (outside the city of Houston) from the U.S. Census Bureau

	Texas	Harris County (outside city of Houston)	
Fact	Estimates	Estimates	Percent
Population estimates, 2016	27,862,596	2,285,540	8.20% (of Texas)
Population, percent change - April 1, 2010, (estimates base) to July 1, 2016	10.80%	12.10%*	
Persons under 5 years, percent, 2016	7.20%	175,548	7.68%
Persons under 18 years, percent, 2016	26.20%	655,146	28.66%
Persons 65 years and over, percent, 2016	12.00%	213,624	9.35%
White alone, percent, 2016	79.40%	1,562,157	68.35%
Black or African American alone, percent, 2016	12.60%	346,959	15.18%
American Indian and Alaska Native alone, percent, 2016	1.00%	4,265	0.19%
Asian alone, percent, 2016	4.80%	145,033	6.35%
Native Hawaiian and Other Pacific Islander alone, percent, 2016	0.10%	2,272	0.10%
Two or More Races, percent, 2016	1.90%	37,000	1.62%
Hispanic or Latino, percent, 2016	39.10%	913,743	39.98%
White alone, not Hispanic or Latino, percent, 2016	42.60%	832,131	36.41%
Housing units, 2016	10,753,629	787,507	
Owner-occupied housing unit rate, 2012-2016	61.90%	478,794	63.80%
Median value of owner-occupied housing units, 2012-2016	\$142,700	\$145,600*	
Median gross rent, 2012-2016	\$911	\$937	
With a disability, under age 65 years, percent, 2012-2016	8.10%	128,052	5.86%
Median household income (in 2016 dollars), 2012-2016	\$54,727	\$55,584*	
Persons in poverty, percent, 2012-2016	15.60%	12.87%	
Land area in square miles, 2010	261,231.71	1,103.89	0.42%

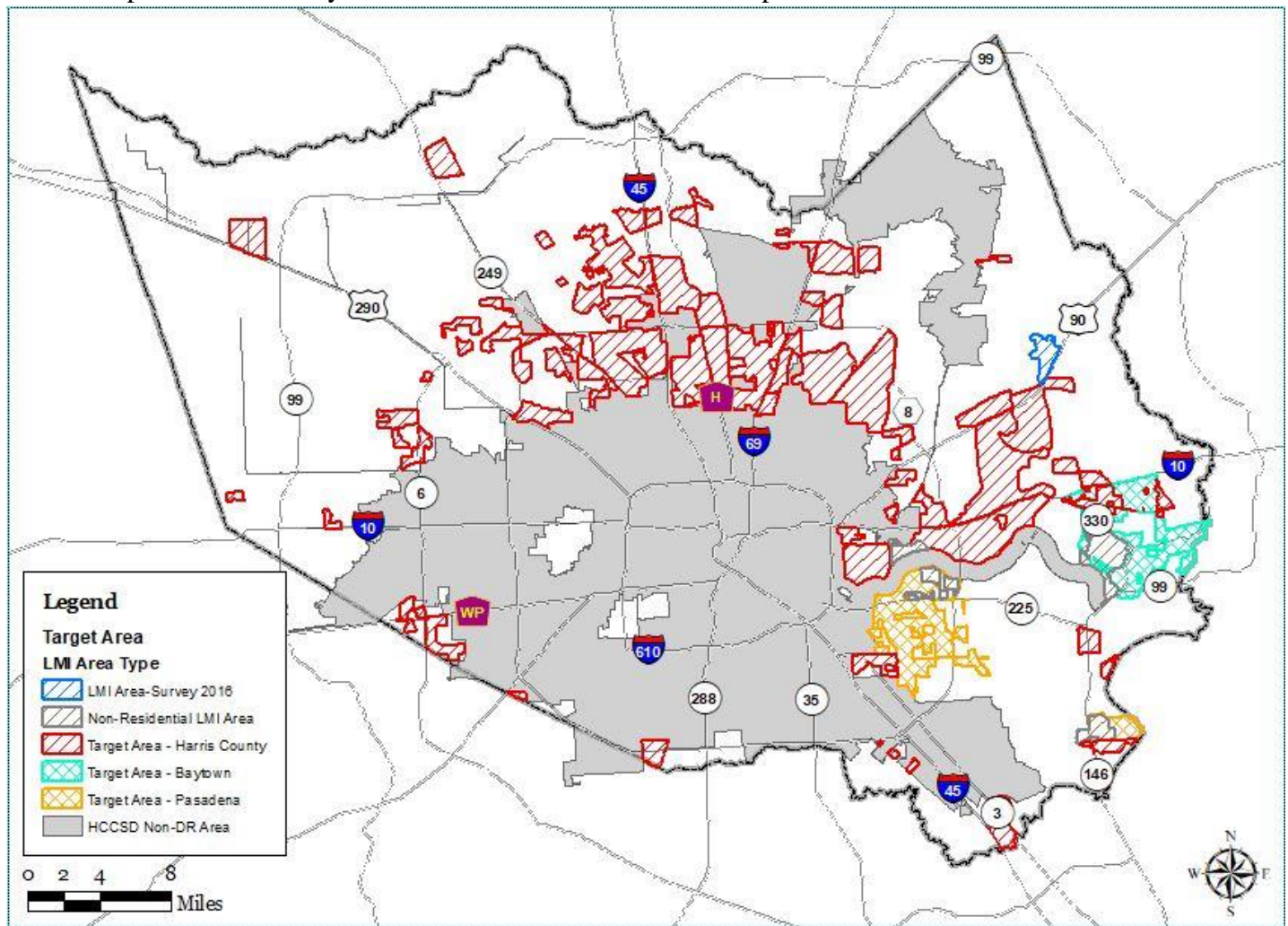
**Figure only available for all of Harris County.*

E. Low- and Moderate-Income Analysis

The following map (Map 3) identifies census block groups that have a low- and moderate-income population of 51 percent or more for Harris County using 2017 Low- and Moderate-Income Summary Data (LMISD) for the state of Texas, Harris County.¹

¹ HUD Exchange. "FY 2017 LMISD by State - All Block Groups, Based on 2006-2010 American Community Survey." Webpage accessed January 10, 2018. <https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-block-groups-places/>

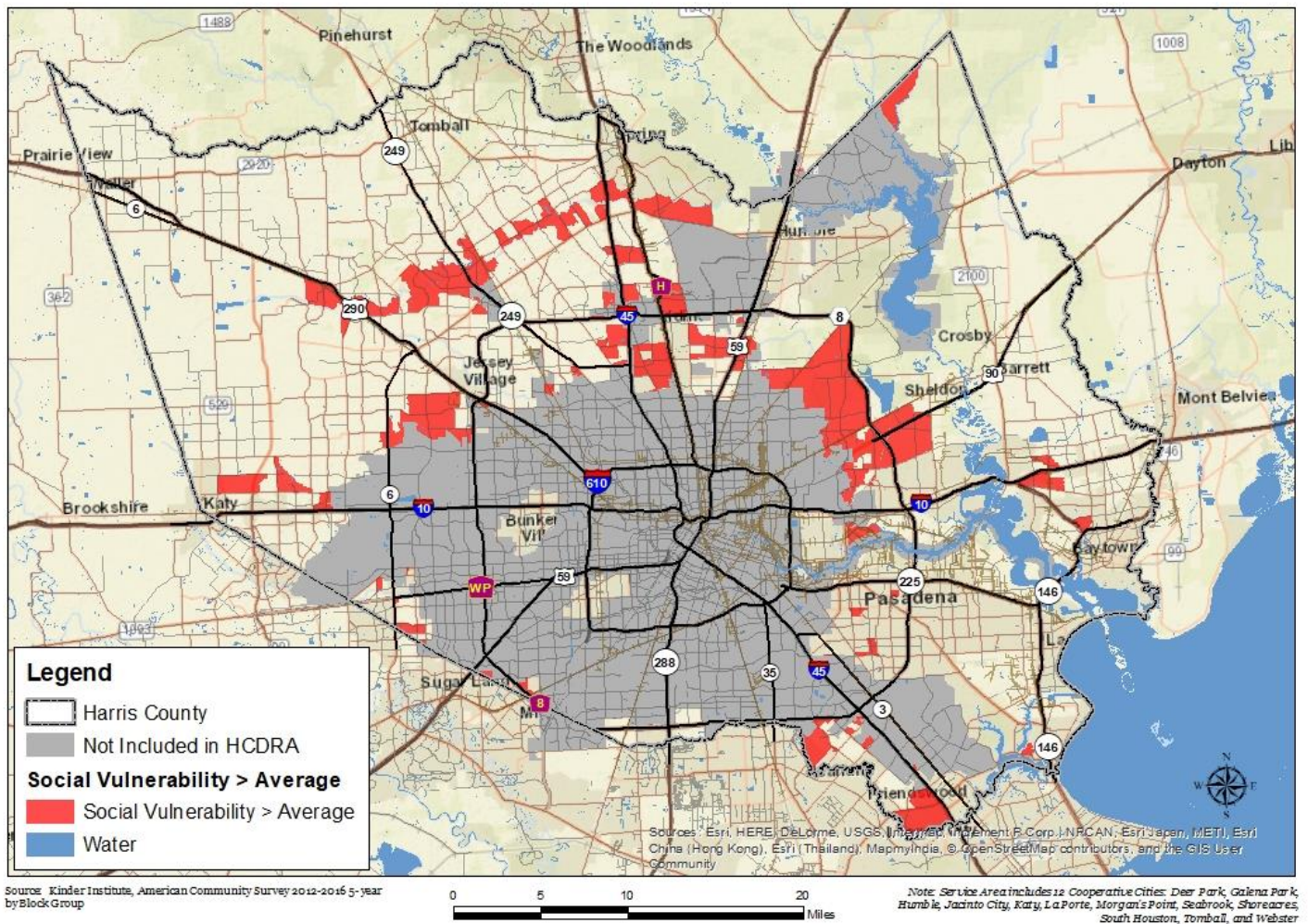
Map 3: Harris County Low- to Moderate-Income Area Map



F. Social Vulnerability Index (SoVI)

An additional component to consider when looking at unmet needs is what level of social vulnerability to natural hazards is the area experiencing. The Social Vulnerability Index (SoVI) measures the social vulnerability of block groups in Harris County — in particular, their vulnerability to environmental hazards. With the assistance of Rice University Kinder Institute, Harris County’s block groups were examined based on socioeconomic variables, which contribute to reduction in a community’s ability to prepare for, respond to, and recover from hazards. Map 4 shows those block groups with the highest vulnerability.

Map 4 Harris County Social Vulnerability Index by Block Group



G. Housing Impact

1. Real Estate Market

In a report by the Kinder Institute, Harris County median housing prices have seen a significant jump in price (from \$100,000 in 2012 to \$141,000 in 2017), which hits low-income buyers especially hard. Hurricane Harvey has only increased the scarcity of safe, affordable single-family housing; post-Harvey median cost is estimated at \$160,000. Although, the region has seen an increase in housing sales a low percentage are affordable.

The scarcity of safe, quality affordable housing in Harris County has caused a severe housing burden and disproportionate housing needs particularly among African American, Hispanic and large family (5+ persons) households.

2. Homelessness

Working with our surrounding jurisdictions, Harris County has been actively working to reduce the incidence of Homelessness for over 15 years. The County have utilized our HUD entitlement funding of Community Development Block Grant, Emergency Solutions Grant and HOME Investment Partnerships program grant plus local funding to provide social services and case management, housing and housing stabilization, healthcare and mental healthcare, and other services to vulnerable populations who are or are endangered of becoming homeless.

In Harris County, the Coalition for the Homeless of Houston/Harris County provides community coordination and planning for a regional homeless services system and is the lead agency for areas Continuum of Care and conducts a Point-In-Time (PIT) count of shelter and unsheltered persons in Houston, Harris County, Fort Bend County and Montgomery County. For the past 7 years, the Count has shown a decrease from 8,538 to 3,412 persons. However in the most recent Count released on May 23, 2018-, there was an increase in the Count of 15 percent. It is assumed that this increase was from Harvey, with almost one in five of the unsheltered homeless individuals reporting Hurricane Harvey as their reason for being homeless.

As a part of the closing of the NRG and George R. Brown shelters, the Coalition, City of Houston, and Harris County worked with FEMA to create a non-congregant shelter program, which assisted those families and individual who did not have the resources to leave the shelter unaided by temporary shelter assistance. This population included families with children, elderly persons, couples and single individuals – many of whom had special needs including chronic health conditions, mobility limitations, and mental illness. Based on preliminary information, most shelter guests are low or very-low income. At the Non-congregant Shelter program's height, there were approximately 500 households in the program that received rental assistance and case management. Currently, roughly 200 households are still enrolled and benefiting from case management services.

3. Social Services: 2-1-1 Harris County Program

The United Way of Greater Houston serves as Harris County's 2-1-1 program administer. The 211 system helps Harris County residents connect with local health and human services and disaster resources programs by phone or internet. 2-1-1 is a free, anonymous, social service hotline available 24-hours a day, 7 days a week, 365 days a year. State and local health and human services programs address housing/shelter, employment, food/nutrition, veterans, crisis/emergency, income/expenses, legal aid/victims, criminal justice, aging/disability, health/medical, mental health, and child care/education.

Between August 25 and September 30, 2017, the 2-1-1 system received approximately 100,000 calls. The call summary below shows the top ten calls received pre-Harvey and during Harvey (August 25–September 30).

Figure 1: Top 10 2-1-1 Calls Pre-Harvey

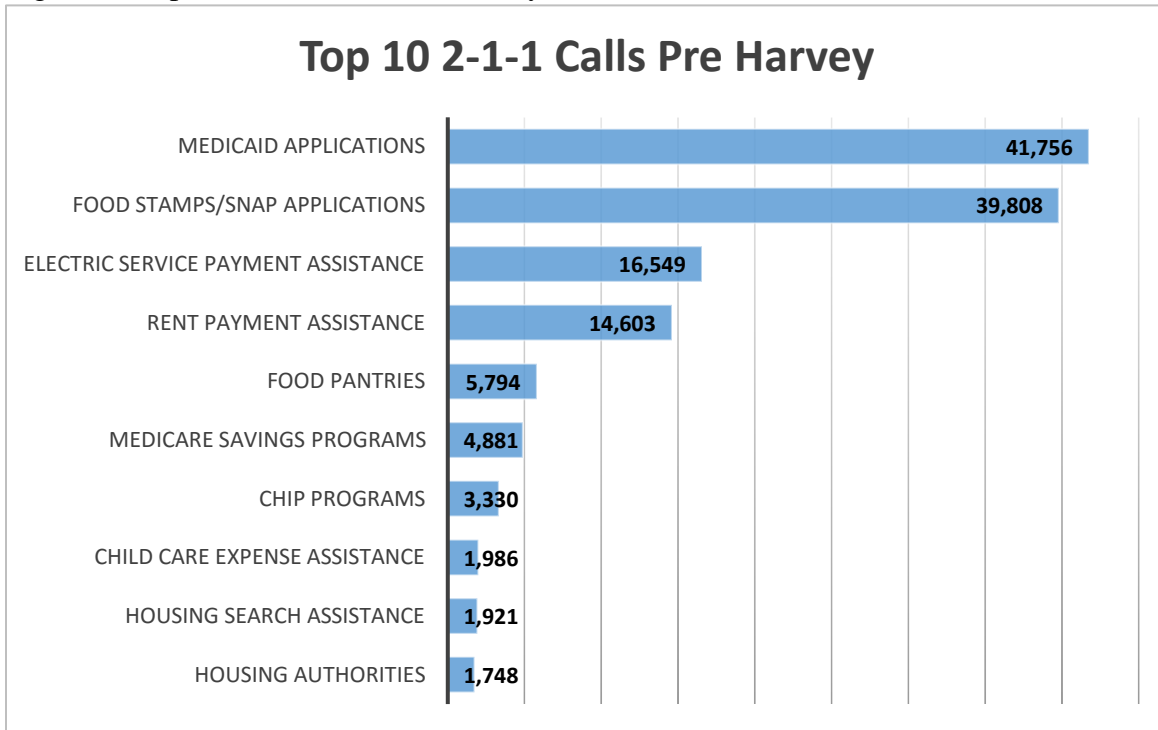
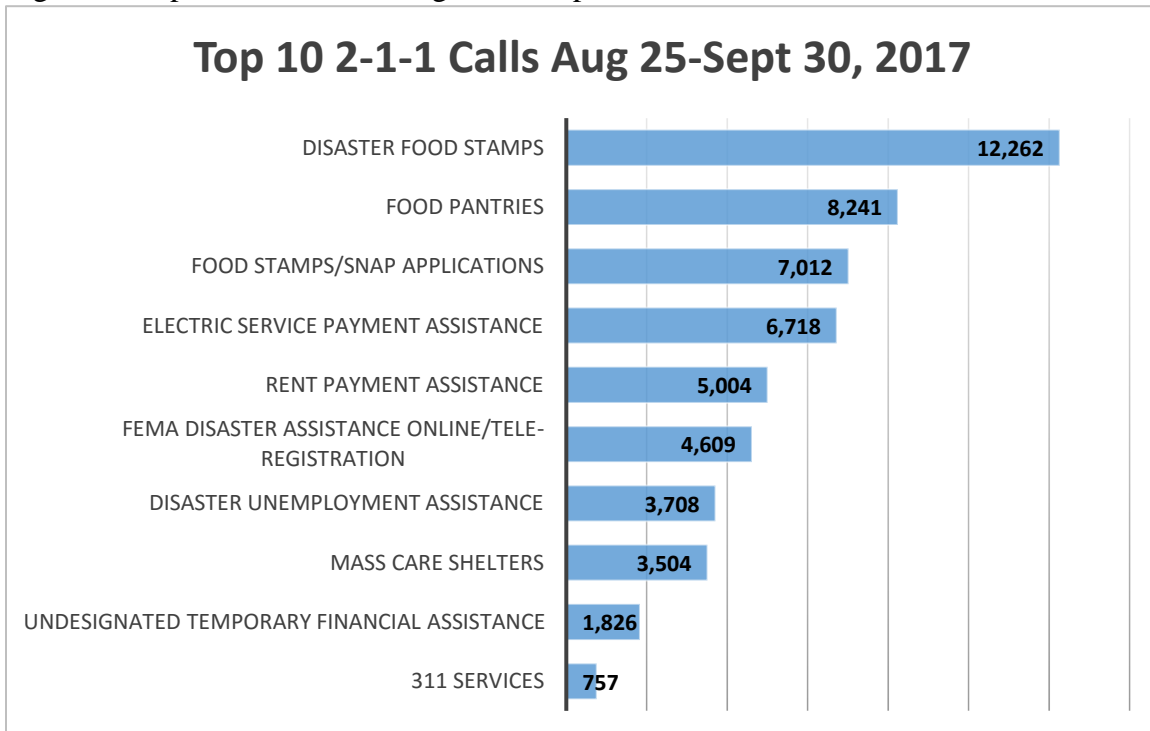


Figure 2: Top 10 2-1-1 Calls Aug. 25 to Sept. 30, 2017



4. Interim Housing Assistance

The Houston-Galveston Area Council operates the FEMA Direct Housing Program-Manufactured Housing Option in Harris County. Harris County Community Services Department staff have been contracted to provide case management services for those approximately 200 households in the program.

5. Insurance

The Texas Department of Insurance (TDI) has issued a report on Hurricane Harvey related claims on April 12, 2018. TDI issued a Hurricane Harvey data call for data through October 31, 2017 to all insurance companies, Texas Windstorm Insurance Association (TWIA) and the Texas Fair Access to Insurance Requirement Plan (FAIR Plan). Data included number of reported claims, paid claims, claim closed without payment, claims reopened, claims with total losses, total amount paid losses, and total amount of claim reserved. As of October 31, 2017, 251,757 claims were reported in Harris County including all cities within the county with total amount of losses paid of \$1,411,214,085.

Table 4: Hurricane Harvey Insurance Claims for all Harris County, as reported April 12, 2017

	Number of Claims	Total Amount of Losses Paid	Total Amount of Losses Incurred
Personal Line of Insurance	251,757	\$1,411,214,085	\$1,644,387,050
Other Line of Insurance	59,646	\$2,220,459,246	\$5,122,382,647

6. National Flood Insurance Program

According to data from the NFIP in January 2018, in Harris County (outside the city of Houston), there were 21,800 NFIP claims of which 17,081 or 78.4 percent were paid claims. The total claims paid was \$1,894,715,877 with an average claim of \$110,925.35.

Figure 3: NFIP Claims in Harris County (outside City of Houston)

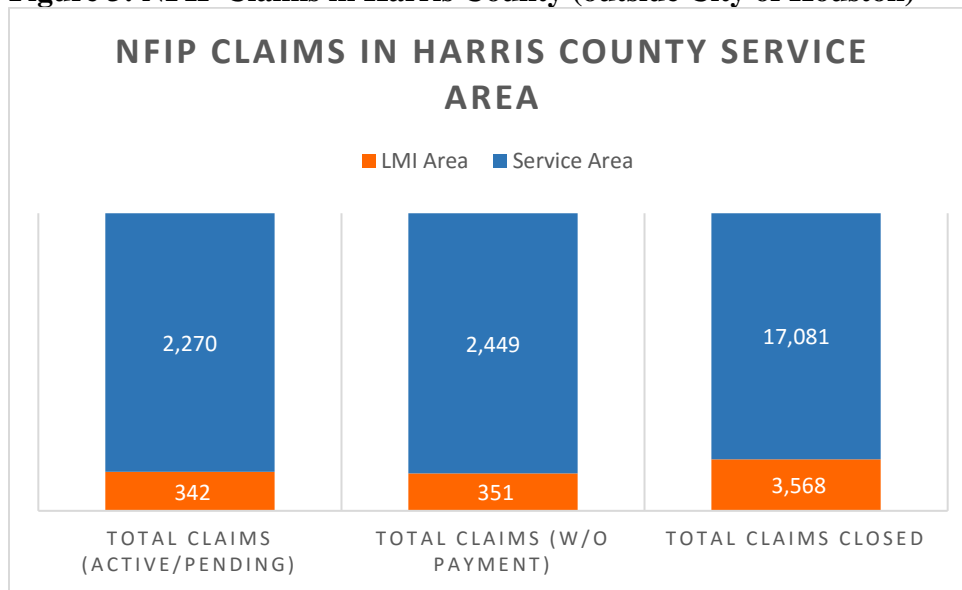
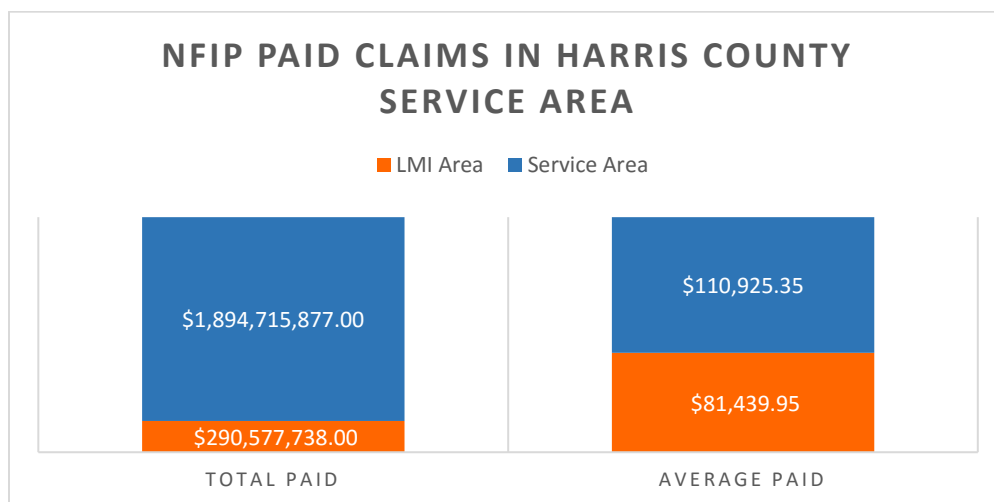


Figure 4: NFIP Paid Claims in Harris County (outside City of Houston)



In the county's low- to moderate-income (LMI) areas, there were 4,261 claims, which represents 19.5 percent of all claims in Harris County. The total claims paid in LMI areas was 3,568 or 20.9 percent of paid claims with the total claims paid of \$290,577,738. The average claim paid in LMI areas was \$81,439.95. While LMI households made up over 70 percent of the FEMA IA applicants in the county only about 20 percent of NFIP resources went to LMI areas. This indicates that LMI households were likely under-represented in the NFIP claims due to inability to afford flood insurance and high claims denial rates by NFIP.

7. Texas Windstorm Insurance Association (TWIA)

The Texas Windstorm Insurance Association (TWIA) was established by the Texas Legislature in 1971 in response to regional market conditions following Hurricane Celia in August 1970. TWIA's purpose is to provide windstorm and hail insurance for the Texas seacoast. Although, in Harris County damage was mostly a flooding event some wind damage was reported along the coastline. In Harris County, there were 593 new claims with a total indemnity paid of \$3,046,684 and an average paid of \$9,260.

8. Small Business Assistance (SBA) Disaster Home Loans

Within Harris County (outside the city of Houston), SBA Disaster Home Loans to those who could avail totaled \$67,065,960 as of December 2017. The average loan disbursed by December 2017 was \$21,324 and tended to be awarded to those of gross incomes higher than area median. The gross income of those to whom SBA Disaster Home Loans had been disbursed averaged \$117,192 as of December, 2017. Only 15% of these loans were written to renters.

9. Public Housing Assistance (PHA) Data

The Harris County Housing Authority did report damage to property and is currently reviewing cost estimates for that damage. Preliminary reports estimate \$933,384 in damage costs with 251 units affected by Hurricane Harvey.

10. FEMA Individual Assistance

Total Harris County (unincorporated area and all 34 cities) contained 36% (323,155) of all FEMA Registrants in Texas, and 39% of FEMA Registered homeowners in Hurricane Harvey. The area's FEMA Registrants included 171,622 owner-occupied households and 150,221 renter-occupied households. For Harris County (outside the city of Houston), there are 61,828 applicants with a FVL of over \$0. Of these, 45,634 (73.8 percent) were owners and 16,175 (26.2 percent) were renters.

Table 5: Total FEMA IA Applications in Harris County (outside city of Houston)

Occupancy Type	Total Applications in Harris County	FEMA Verified Loss (FVL) over \$0	Applicants with Unmet Need
Owner	94,208	45,634	23,948
Renter	65,922	16,175	8,740
N/A	565	19	0
Totals	160,695	61,828	32,688

It should be noted that the FEMA IA for Harris County (outside the city of Houston) listed only 4,460 total applicants who were age 60 and over with only 958 applicants with a FVL over \$0 and who received some FEMA assistance. Harris County has more than 300,000 residents over the age of 60. The county believes based on anecdotal accounts of canvassers, case management agencies, and rebuilding organizations that the FEMA numbers for seniors, who had a FVL over \$0 and received some assistance, significantly underestimate the unmet needs of seniors in Harris County.

a. Total Unmet Needs

The GLO has compiled information from FEMA for individual assistance in order to document estimated repair costs and unmet housing needs by eligible county and provided this Harris County data to County. The population structure used includes owner-occupied households and renter households. For the purpose of this analysis, the GLO is utilizing certain components of HUD's methodology for unmet need for both types of households.

Owner-occupied Homes

To calculate the level of real property damage for owner-occupied homes, the following criteria was used:

- **Major-Low:** \$8,000 to \$14,999 of FEMA verified loss.
- **Major-High:** \$15,000 to \$28,800 of FEMA verified loss.
- **Severe:** Greater than \$28,800 of FEMA verified loss.

Renter-occupied Homes

To calculate the level of personal property damage for renters, the following criteria was used:

- **Major-Low:** \$2,000 to \$3,499 of FEMA verified loss.
- **Major-High:** \$3,500 to \$7,499 of FEMA verified loss.
- **Severe:** Greater than \$7,500 of FEMA verified loss.

To calculate estimated unmet need, the GLO/Harris County used multipliers provided by HUD. These multipliers are based on the SBA median repair cost for the specific disaster category less the weighted average of expected SBA and FEMA repair costs. Based on FEMA individual assistance data provided to the GLO, the estimated weighted average of expected SBA and FEMA total repair costs for each category is represented in the following table.

Table 6: Unmet Need Multiplier by Damage Category

Category	Multiplier Amount
Major-Low	\$58,956
Major-High	\$72,961
Severe	\$102,046

The following table provides a breakdown of total unmet needs for owner- and renter-occupied households. It provides the damage category and the total count and unmet need for those three categories as previously defined.

Table 7: Category of Unmet Needs by Owner-Occupied and Renters in Harris County
(outside city of Houston)

Damage Category/ Multiplier	Total Count	Total of Owner-Occupied and Rental Unmet Needs	Owner-Occupied Count with Unmet Need	Total Owner Occupied Unmet Needs	Rental Count	Total Rental Unmet Needs
Major-Low: \$58,956	12,587	\$742,079,172	9,551	\$563,088,756	3,036	\$178,990,416
Major-High: \$72,961	14,980	\$1,092,955,780	10,415	\$759,888,815	4,565	\$333,066,965
Severe: \$102,046	5,121	\$522,577,566	3,982	\$406,347,172	1,139	\$116,230,394
Totals	32,688	\$2,357,612,518	23,948	\$1,729,324,743	8,740	\$628,287,775

HUD requirements for this CDBG-DR allocation specify that the GLO and thus Harris County must expend a minimum of 70 percent to benefit LMI populations. In Harris County, approximately 59.8 percent of the unmet need population is below 80 percent in the LMI category. The unmet need by income category for Harris County can be seen in the following table.

Table 8: Unmet Need by Income Category/Owner-Occupied and Renter in Harris County
(outside the city of Houston)

Income Category	Count	Unmet Need	% of Count	% of Unmet Need
0-30%	9,582	\$ 686,167,397	29.3%	29.1%
31-50%	4,498	\$ 319,751,533	13.8%	13.6%
51-80%	5,452	\$ 389,463,677	16.7%	16.5%
Not LMI	13,156	\$ 962,229,911	40.2%	40.8%
Not Reported	0	0	0	0
Totals	32,688	\$ 2,357,612,518	100.0%	100.0%

b. Owner-occupied Unmet Need

In Harris County, approximately 52.5 percent of the owner-occupied unmet need based on FEMA IA is below 80 percent LMI category. The unmet need for the LMI population is over \$895 million for owners. The unmet need by income category for owner-occupied households for Harris County can be seen in the following table.

Table 9. Owner Unmet Need by Income Category in Harris County (outside the city of Houston)

Income Category	Count	Unmet Need	% of Count	% of Unmet Need
0-30%	5,922	\$ 425,034,847	24.7%	24.6%
31-50%	2,805	\$ 197,603,740	11.7%	11.4%
51-80%	3,838	\$ 272,585,298	16.0%	15.8%
Not LMI	11,383	\$ 834,100,858	47.5%	48.2%
Not Reported	0	0	0	0
Totals	23,948	\$ 1,729,324,743	100.0%	100.0%

c. Renter-occupied Unmet Need

In Harris County, approximately 79.7 percent of the unmet need based on FEMA IA is below 80 percent LMI category. The unmet need for the LMI population is over \$500 million for renters. The unmet need by income category for renters in Harris County can be seen in the following table.

Table 10. Renter Unmet Need by Income Category in Harris County (outside the city of Houston)

Income Category	Count	Unmet Need	% of Count	% of Unmet Need
0-30%	3,660	\$ 261,132,550	41.9%	41.6%
31-50%	1,693	\$ 122,147,793	19.4%	19.4%
51-80%	1,614	\$ 116,878,379	18.5%	18.6%
Not LMI	1,773	\$ 128,129,053	20.3%	20.4%
Not Reported	0	0	0	0
Totals	8,740	\$ 628,287,775	100.0%	100.0%

d. Owners in a Floodplain with No Flood Insurance

Low- to Moderate-income applicants in Harris County comprise 65.1 percent of the total owners with unmet needs in a floodplain with no flood insurance. Whereas those over 120 percent of AMI are 20.8 percent of the total owners with unmet needs in a floodplain with no flood insurance.

Table 11. Owners in a Floodplain with No Flood Insurance by Income Category in Harris County (outside city of Houston)

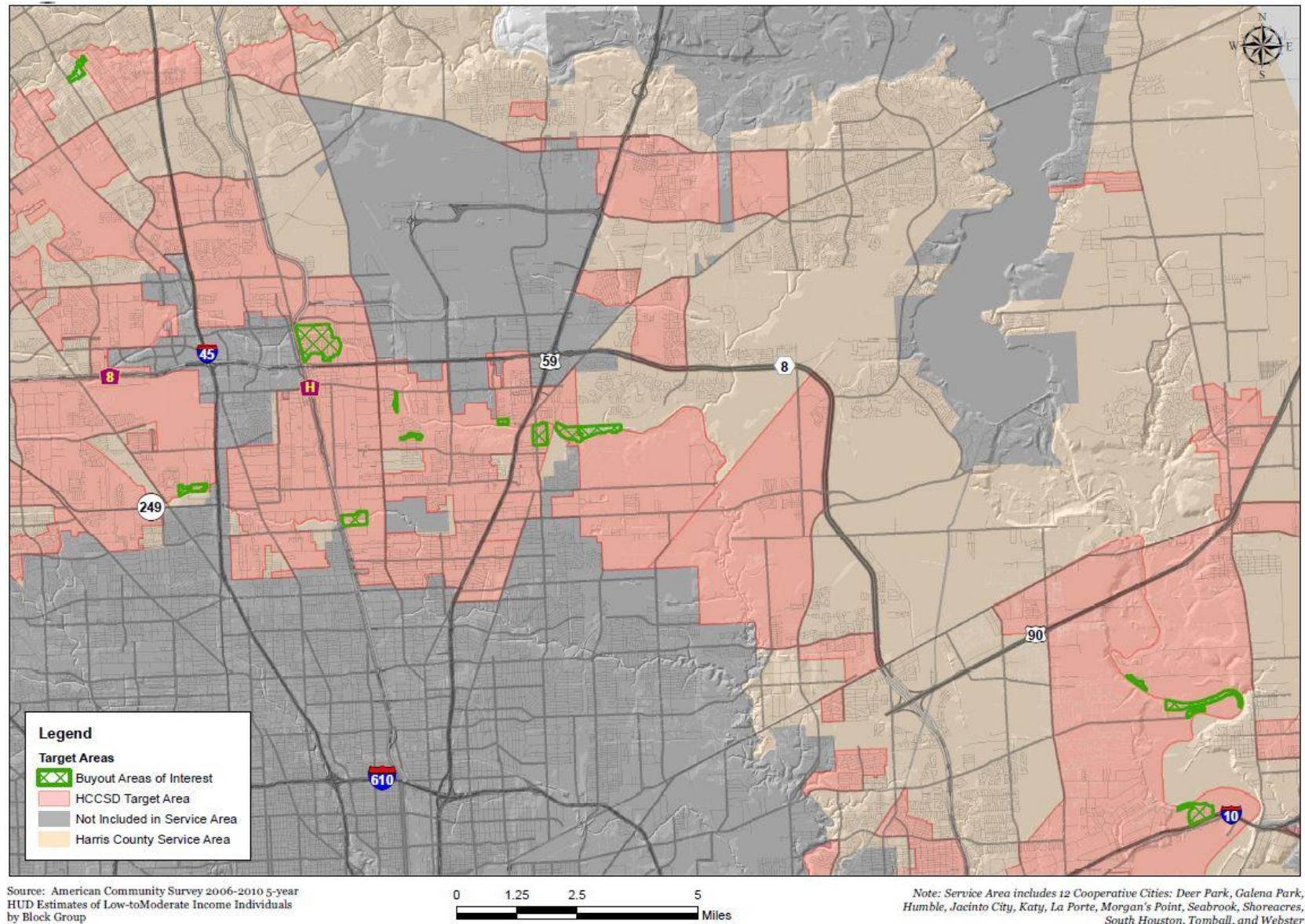
Income Category	Count	% of Count
0-30%	1,320	32.0%
31-50%	678	16.4%
51-80%	690	16.7%
81-120%	579	14.0%
Over 120%	859	20.8%
Not Reported	0	0%
Totals	4,126	100.0%

11. Residential Buyout Program

The Harris County Flood Control District (HCFCD) has operated the Harris County Residential Buyout Program since 1985 and acquired and removed approximately 3,000 houses that are hopelessly deep in the floodplain where flood damage reduction projects, like channel improvements or storm water detention basins, are not cost effective and or beneficial. Once bought out, these parcels are returned to their beneficial function aiding in the storage of floodwaters. Those homeowners who are bought out are assisted to move to an area with a reduced flood risk.

HCFCD has identified 43 areas in unincorporated Harris County or in one of the county's small cities that fits the above definition. These areas contain approximately 3,300 parcels to acquire. Of the 43 buyout interest areas, the county has identified 13 areas that are in low- to moderate-income areas and or in Social Vulnerable areas (shown in Map 5). Seven of the 13 areas have an average home market value of under \$85,000, the lowest average home market value was \$27,105 in the community of Allen Field. As stated in the above section G.1. Real Estate Market, median home price in Harris County is \$160,000. The low market value of the homes to be bought out to the higher median home price may place a severe cost burden on low-income and vulnerable populations to find safe, quality affordable replacement housing. Additional housing incentives, the creation of new affordable housing, and homebuyer assistance programs will be needed to alleviate this burden.

Map 5: Harris County Buyout Areas in Harris County Low- to Moderate-Income Areas



H. Infrastructure Impact

1. FEMA Public Assistance

The below table provides a high level approximation of total costs and total need for each PA category as of June 1, 2018 for Harris County and 33 small cities. As illustrated in Table 13, the categories with the highest total need are Buildings and Equipment then Emergency Protective Measures showing a total PA need for the County. It should be noted that PA project worksheets are still under development by the local jurisdictions and under review by FEMA and TDEM. These amounts are expected to increase.

Table 12: Total Cost and Need by PA Category in Harris County

PA Category (49 Counties)	Approx. PA Cost	10% Local Match	15% Resiliency on Approx. Cost	Total Need (Local Match + Resiliency)
A - Debris Removal	\$ 65,629,614.39	\$ 6,562,961.44	\$ 9,844,442.16	\$ 16,407,403.60
B - Emergency Protective Measures	\$ 200,492,321.33	\$ 20,049,232.13	\$ 30,073,848.20	\$ 50,123,080.33
C - Roads and Bridges	\$ 715,534.17	\$ 71,553.42	\$ 107,330.13	\$ 178,883.54
D - Water Control Facilities	\$ 72,069,272.47	\$ 7,206,927.25	\$ 10,810,390.87	\$ 18,017,318.12
E - Buildings and Equipment	\$ 339,883,959.96	\$ 33,988,396.00	\$ 50,982,593.99	\$ 84,970,989.99
F - Utilities	\$ 30,061,407.49	\$ 3,006,140.75	\$ 4,509,211.12	\$ 7,515,351.87
G - Parks, Recreational Facilities, and Other Items	\$ 7,419,760.39	\$ 3,741,976.04	\$ 5,612,964.06	\$ 9,354,940.10
Z - Direct Administrative Costs	\$ 9,184,044.43	\$ 918,404.44	\$ 1,377,606.66	\$ 2,296,011.11
Grand Total	\$755,455,914.63	\$75,545,591.46	\$113,318,387.19	\$188,863,978.66

As stated above in the IA section, need per capita is a good indicator when looking at a community's ability to pay for recovery. The three counties with the highest per capita PA need as Harris (\$1,412), Aransas (\$1,296), and Refugio (\$1,100) according to the State's Action Plan.

2. Commercial Buyout

As discussed in G.11 Residential Buyout, Harris County has been involved in residential buyout since 1985. HCFCD has identified 43 areas in unincorporated Harris County or in one of the county's small cities that fits the buyout definition. These areas contain approximately 3,300 parcels to acquire. Some of these parcels are partial home business and small business that will also need buyout and relocation as we relocate the residents around these businesses. The county has identified in its 13 low-income buyout areas approximately 87 commercial and industrial parcels with a 2017 market value for the parcel of roughly \$10 million. This number is expected to increase as the value of each business is evaluated in the intake process nor does the count take into effect vacant commercial/industrial lots.

I. Economic Impact

Harris County will be participating in the State's Economic Development program.

III. General Requirements

A. Rehabilitation/Reconstruction of Public Housing, Affordable Housing and other forms of Assisted Housing

Harris County will identify and address the rehabilitation, reconstruction, and replacement of the following types of housing affected by the disasters: public housing (including administrative offices), HUD-assisted housing, affordable housing, McKinney-Vento Homeless Assistance Act-funded shelters and housing for the homeless, including emergency shelters and transitional and permanent housing for the homeless; and private market units receiving project-based assistance, or with tenants that participate in the Section 8 Housing Choice Voucher Program. All proposed projects will undergo Affirmatively Furthering Fair Housing (AFFH) review by Harris County before approval.

The GLO will retain the full 5% allocated for administrative costs associated with the CDBG-DR allocation for purposes of oversight, management, and reporting. The only exception will be an allowance for up to 2% of program amounts for costs associated with housing activities that require administrative type activities in Harris County and the city of Houston programs. Additionally, Harris County and Houston will be allowed to spend up to 10% of program amounts for costs directly related to implementation of housing activities and 6% for non-housing and infrastructure type activities. Engineering and design activities will be capped at 15% of the total project award unless special services are necessary; subject to GLO approval. The GLO, Harris County, and the city of Houston will limit planning costs to 5% of each respective allocation to complete projects as defined in 24 CFR 570.205.

B. Housing for Vulnerable Populations

Harris County will promote housing for vulnerable populations, including a description of activities that will address the following: housing for homeless and those at-risk of homelessness;

the prevention of low-income individuals and families with children (especially those with incomes below 30 percent of the area median) from becoming homeless; the special needs of persons who are not homeless but require supportive housing (e.g., elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents, as identified in 24 CFR 91.315(e)).

Harris County is developing needs assessments that will assist the county to develop programs. The local needs assessment and analysis of HUD/FEMA demographic IA data will recommend the proportions of funding that should be set aside to benefit LMI and non-LMI populations. The needs assessment will determine the activities to be offered, the demographics to receive concentrated attention, and target areas to be served.

Harris County is committed to affirmatively furthering fair housing through established affirmative marketing policies. Affirmative marketing efforts will include an affirmative marketing plan, based on the HUD regulations. The goal is to ensure that outreach and communication efforts reach eligible homeowners from all racial, ethnic, national origin, religious, familial status, the disabled, "special needs", and gender groups.

C. Displacement of Persons and/or Entities

To minimize the displacement of persons and/or entities that may be affected by the activities outlined in this Supplemental Action Plan, Harris County will coordinate with other state agencies, local governments, and local non-profit organizations to ensure minimal displacement. However, should any proposed projects cause the displacement of people, the county will ensure the requirements set forth under the Uniform Relocation Assistance and Real Property Acquisition Policies Act, as waived, are met. The relocation assistance requirements at section 104(d)(2)(A) of the Housing and Community Development Act and 24 CFR 42.350 are waived to the extent that they differ from the requirements of the URA and implementing regulations at 49 CFR part 24, as modified by the notice for activities related to disaster recovery.

D. Maximum Assistance

The maximum amount of assistance available to subrecipients under the Harris County's disaster recovery program Method of Distribution (MOD) and Competitive Application will be the maximum allocated to the HUD most impacted and distressed areas. For all housing and buyout programs, the county's housing guidelines establish housing assistance maximums and request waivers to the GLO when required and necessary.

E. Elevation Standards

The GLO will apply the following elevation standards to new construction, repair of substantial damage, or substantial improvement of structures located in an area delineated as a flood hazard area or equivalent in FEMA's data source identified in 24 CFR 55.2(b)(1). All structures must follow Harris County elevation regulation and requirements.

F. Planning and Coordination

Harris County's recovery projects will be developed in a manner that considers an integrated approach to address long-term recovery and restoration of infrastructure, housing, and economic revitalization in the most impacted and distressed areas. The County will work with local cities, non-profits, universities and colleges, and other interested parties to create sound recovery plans in affected areas by coordinating resources and expertise to help in the restoration and recovery of damaged communities.

G. Infrastructure Activities

Harris County will encourage projects to integrate mitigation measures into rebuilding activities and the extent to which infrastructure activities funded through this grant will achieve objectives outlined in regionally or locally established plans and policies that are designed to reduce future risk to the jurisdiction. Informed by future, ongoing, and previously conducted regional studies, the goal is to ensure better coordination of projects between localities to address recovery and mitigation more holistically.

H. Program Income

Any program income earned as a result of activities funded under this grant will be subject to alternate requirements of 24 CFR 570.489(e), which defines program income. Program income generated under individual contracts will be requested to remain with a community to continue recovery efforts.

IV. State Administered Disaster Recovery Program

A. Direct Allocation

The city of Houston and Harris County have each been allocated a direct allocation from the State's allocation at the direction of HUD. The amounts allocated to the city of Houston and Harris County are the amounts of unmet need calculated by HUD. The same methodology was used by HUD to determine the \$5.024 billion allocation to the State. The amounts have been adjusted to account for the prior allocation to Harris County, the economic revitalization program, and state administration costs.

In consultation with the GLO, Harris County has been given technical assistance to develop their local supplemental action plan (SAP). The County's SAP includes a needs assessment, community engagement efforts, description of unmet needs, and county's use of funds and program descriptions, and expenditure timelines.

B. Connection to Unmet Needs

Harris County was HUD identified as one of the “most impacted and distressed” areas in the State’s Action Plan and Federal Register, Vol. 83, No. 28, February 9, 2017. This local supplemental action plan primarily considers and addresses unmet housing by allocating 79 percent of CDBG-DR funding to housing related activities. Harris County has developed its program categories based on need and the County’s public consultation process. Housing programs include: homeowner assistance program; buyout/acquisition program; homeowner reimbursement program; a homelessness prevention program; affordable rental program; and single-family new construction program. The programs were developed to meet CDBG-DR, federal and state requirements and regulations, and to implement the long-term recovery of housing as efficiently and expeditiously as possible. It is anticipated that public service type activities may need to be utilized to complement these housing programs. Public service activities may include but not limited to Case management, housing counseling, legal counseling, job training, mental health, and general health services.

The majority of the funds have been allocated to assist renters through the affordable rental program (acquisition, rehabilitation, and new construction of affordable rental units) and homeowners through the reimbursement of repairs, rehabilitation and reconstruction of their homes. Funds have been allocated for residential buyouts and acquisition to remove homes from harm’s way and to compliment the removal of unsafe housing the construction of new and the acquisition/rehabilitation of existing single-family housing.

Through Harris County’s continued work with homeless populations and in partnership with the Coalition for the Homeless of Houston/Harris County, the county recognizes the need for homeless services to include homelessness prevention and housing of homeless populations. Based on Hurricane Harvey’s impact, homelessness in the county has and will continue to rise without these services, short-term mortgage assistance, utility assistance, and tenant-based rental assistance.

Although there are remaining unmet housing needs due to the limitation of funds available, Harris County recognizes that as part of a comprehensive long-term recovery program, the repair and enhancements of local infrastructure and mitigation efforts are crucial components. Infrastructure activities are vital not only for the long-term recovery and restoration of housing but for the long-term recovery, protection, and viability of communities. Especially drainage improvements projects in channels and bayous as well as local neighborhood drainage systems are needed to reduce the flood risk of these areas. Twenty-one (21) percent of the funds will address unmet needs related to infrastructure and economic development.

Harris County has allocated five (5) percent for planning activities. The county will seek to develop studies on the need for affordable housing post-Harvey including market analysis, countywide sewer and drainage improvement, mitigation study among others.

A summary of Harris County’s unmet need is identified in the table below. As required a needs assessment was completed to identify long-term needs and priorities for CDBG-DR funding allocated as a result of Hurricane Harvey. The assessment takes into account a comprehensive set of data sources that cover multiple geographies and sectors. The needs assessment includes specific details about unmet needs within the eligible and most impacted and distressed

communities, and includes details for housing, infrastructure, and economic revitalization. The needs assessment is expected to be amended as additional information is available or updated.

Table 13: Harris County Summary of Total Unmet Need

Category	Losses/Gap	CDBG-DR Investments*	Other Known Investments	Remaining Unmet Need
Housing	\$7,458,498,829	\$837,097,816	\$3,671,644,866	\$2,949,756,147
Owner-Occupied Housing	\$1,729,324,743			
Residential Property Insurance/TX Windstorm	1,644,387,050		\$1,411,214,085	
National Flood Insurance Program	\$1,894,715,877		\$1,894,715,877	
Other Housing and Disaster Related Expenses	\$760,850,000		\$65,000,000	
Rental-occupied Housing	\$628,287,775			
Public Housing Authority Housing	\$933,384		\$714,904	
Harris County Buyout Program (Pub L. 115-31)	\$800,000,000		\$300,000,000	
Infrastructure	\$10,868,969,302	\$222,519,672	\$698,910,323	\$9,947,539,307
FEMA Public Assistance	\$868,774,302		\$679,910,323	
Rebuild Texas	\$10,000,195,000		\$19,000,000	
Grand Total (Housing and Infrastructure)	\$18,327,468,131	\$1,059,617,488	\$4,370,555,189	\$12,897,295,454

C. Harris County Method of Distribution

Under the local infrastructure program, Harris County will conduct a County level Method of Distribution (MOD) process. Harris County will encourage the prioritization of infrastructure for direct repair of damaged facilities, FEMA cost share and mitigation, and water and flood control facilities due to the limitations of funds available in this allocation. A methodology for the distribution and calculation to local small cities within Harris County, who do not receive an allocation directly from the GLO, will be established for CDBG-DR infrastructure funding. For those cities that are partially in Harris County, only the portion of the city that resides within Harris County will be eligible for the MOD. The MOD will balance relative impact of Hurricane Harvey on the jurisdiction's population, percentage of the jurisdiction's population that is low-to-moderate-income, and the ability to recover and total unmet need. The MOD is further discussed in Section IV.E.7.B of this document.

D. Program Budget

Table 19: Total Allocation Budget – Harris County

Program		HUD Most Impacted Areas (80%)	State Most Impacted Areas (20%)	LMI Amount (70% of Total Allocation)	Total	% of Total Allocation by Program	% of Total Allocation	Total
Direct Programs	City of Houston	\$ 1,155,119,250	-	\$ 808,583,475	\$ 1,155,119,250	22.99%	45.19%	\$ 2,270,506,080
	Harris County	\$ 1,115,386,830	-	\$ 780,770,781	\$ 1,115,386,830	22.20%		
Direct Allocation Subtotal		\$ 2,270,506,080	-	\$ 1,589,354,256	\$ 2,270,506,080			
State of Texas		\$ 2,202,967,136	\$ 550,741,784	\$ 164,496,406	\$ 2,753,708,920	54.81%	54.81%	\$ 2,753,708,920
State Allocation Subtotal		\$ 2,202,967,136	\$ 550,741,784	\$ 164,496,406	\$ 2,753,708,920			
Harris County Programs								
Harris County Housing	Homeowner Assistance Program	\$ 211,000,000	-	\$ 147,700,000	\$ 211,000,000	18.9%	16.7%	\$837,097,816
	Buyout & Acquisition/Homebuyer Asst	\$ 200,000,000	-	\$ 140,000,000	\$ 200,000,000	15.7%		
	Reimbursement Program	\$ 15,000,000	-	\$ 10,500,000	\$ 15,000,000	2.2%		
	Homeless Prevention/Rental Asst Program	\$ 7,500,000	-	\$ 5,250,000	\$ 7,500,000	0.9%		
	Affordable Rental Program	\$ 221,629,991	-	\$ 155,140,994	\$ 221,629,991	0.7%		
	SF New Construction	\$ 115,000,000	-	\$ 80,500,000	\$ 115,000,000	20.0%		
	Housing Project Delivery	\$ 50,225,869	-	\$ 35,158,108	\$ 50,225,869	6%		
	Housing Admin	\$ 16,741,956	-		\$ 16,741,956	2%		
Harris County Infrastructure	Commercial Buyout Program	\$ 12,500,000	-	\$ 8,750,000	\$ 12,500,000	6%	4.4%	\$222,519,672
	Method of Distribution (Local)	\$ 120,000,000	-	\$ 84,000,000	\$ 120,000,000	54%		
	Competitive Application	\$ 76,668,492		\$ 53,667,944	\$ 76,668,492	34%		
	Infrastructure Project Delivery	\$ 13,351,180		\$ 9,345,826	\$ 13,351,180	6%		
Harris County Planning	Harris County Planning	\$ 55,769,342	-	\$ 39,038,539	\$ 55,769,342		1.1%	\$ 55,769,342
Harris County Allocation Subtotal		\$1,115,386,830	-	\$ 780,77,781	\$1,115,386,830			
Grand Total Allocation		\$ 4,473,473,216	\$ 550,744,784	\$ 3,243,850,662	\$ 5,024,215,000	100%	100%	\$ 5,024,215,000

E. Use of Funds

1. HARRIS COUNTY HOMEOWNER ASSISTANCE PROGRAM (\$211,000,000)

The Harris County Homeowner Assistance Program (HCHAP) will rehabilitate and reconstruct owner-occupied single-family homes damaged by Hurricane Harvey.

Harris County will develop local housing programs, and will be responsible for the implementation of each program. Homeowners located within the city limits of Houston and outside of Harris County will be ineligible for participation in the Harris County Homeowner Assistance Program.

Harris County will administer the homeowner assistance program and will develop a needs assessment and minimum housing guidelines.

a. Allocation Amount: \$211,000,000

- i. The program will first be available to FEMA/GLO temporary direct housing participants and LMI homeowners prior to being made available to non-LMI homeowners.

b. Maximum assistance:

- i. **Rehabilitation:** Not greater than \$80,000.
- ii. **Reconstruction:** Standardized cost estimate based on household size.

c. Eligible Activities: Housing activities allowed under CDBG-DR; HCDA Section 105(a)(1), 105(a)(3-4), 105(a)(8) 105(a)(11), 105(a)(18), and 105(a)(25), include but are not limited to:

- i. Single family owner-occupied rehabilitation, reconstruction, and/or new construction;
- ii. Repair and replacement of manufactured housing units;
- iii. Hazard mitigation;
- iv. Elevation;
- v. Relocation Assistance;
- vi. Demolition only;
- vii. Public service within the 15 percent cap (e.g., housing counseling, legal counseling, job training, mental health, and general health services); and
- viii. Other activities associated with the recovery of single-family housing stock impacted.

d. Ineligible Activities:

- i. Forced mortgage payoff;
- ii. Incentive payments to households that move to disaster-impacted floodplains;

- iii. Properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for rehabilitation assistance or housing incentives;
- iv. Rehabilitation/reconstruction of homes located in the floodway;
- v. Rehabilitation/reconstruction of a house in which:
 - 1. The combined household income is greater than 120 percent AMI or the national median;
 - 2. The property was located in a floodplain at the time of the disaster; and
 - 3. The property owner did not maintain flood insurance on the damaged property, even when the property owner was not required to obtain and maintain such insurance.
- vi. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) states that no Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. The program may not provide disaster assistance for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.
- vii. Homeowners located within the city limits of Houston and/or outside of Harris County are ineligible to participate in the Harris County Homeowner Assistance Program.

e. Eligibility Criteria for Assistance:

- i. Home must have been owner-occupied at the time of the storm;
- ii. Home must have served as primary residence;
- iii. Home must be located in Harris County outside the City of Houston;
- iv. Home must have sustained damage from Hurricane Harvey;
- v. Duplication of benefits review;
- vi. All applicants and co-applicants must be current on payments for child support;
- vii. Applicant must be a U.S. Citizen or eligible resident;
- viii. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws;
- ix. Home must be environmentally-cleared;
- x. Property owners receiving disaster assistance that triggers the flood insurance purchase requirement have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance in writing and to maintain such written notification in the documents evidencing the transfer of the property, and the transferring owner may be liable if he or she fails to do so.
- xi. Subrogation Agreement: Assisted homeowners must agree to a limited subrogation of any future awards related to Hurricane Harvey to ensure duplication of benefits compliance. This is an agreement to repay any duplicative assistance if other disaster assistance for the same purpose later is received.
- xii. Unsecured Forgivable Promissory Note:
 - 1. Assisted homeowners are required to maintain principal residency in the assisted property for three years. Cash-out refinancing, home equity loans or any loans

utilizing the assisted residence as collateral are not allowed for three years. A violation of this policy will activate the repayment terms of the Note.

2. Taxes are to be paid and in good standing for the properties assisted. Homeowners may be on a payment plan, but it needs to be submitted to the subrecipient or State as applicable.
3. Insurance must be maintained at the assisted property. Hazard, flood (if applicable), and windstorm (if applicable) will be monitored for the three-year note period.

f. National Objectives: Low- and moderate-income and urgent need. At least 70 percent of these program funds by region and Subrecipient must be spent on LMI eligible projects.

g. Housing Guidelines: Harris County will develop minimum housing guidelines that provide operational details on the eligibility requirements, housing assistance caps, construction standards, reporting requirements, and other program requirements. Housing guidelines will be posted for public comment before use. The GLO must approve all guidelines.

h. Needs Assessment: Harris County will conduct needs assessment. The local needs assessment and analysis of HUD/FEMA demographic IA data will recommend the proportions of funding that should be set aside to benefit each LMI and non-LMI economic group. The needs assessment will determine the activities to be offered, the demographics to receive concentrated attention, and target areas to be served. The needs assessment should set goals within the income brackets similar to the housing damage sustained within the impacted areas. Deviations from goals must be approved by the GLO before the Program may move forward.

i. Affirmative Marketing Outreach Plan: Harris County is committed to affirmatively furthering fair housing through established affirmative marketing policies. Harris County will coordinate with HUD-certified housing counseling organizations in this effort. Affirmative marketing efforts will include an affirmative marketing plan, based on the U.S. Department of Housing and Urban Development (HUD) regulations. The goal is to ensure that outreach and communication efforts reach eligible homeowners from all racial, ethnic, national origin, religious, familial status, the disabled, "special needs", and gender groups.

j. Timeline: The proposed program start date is immediately after HUD's approval of this Amendment to the Action Plan. The proposed end date is **three years** from the start date of the program.

2. HARRIS COUNTY BUYOUT AND ACQUISITION PROGRAM (\$200,000,000)

The Harris County Buyout and Acquisition Program will remove homes from harm's way and acquire properties for the development of housing, neighborhood revitalization, and other uses.

Due to the nature of this activity, this program will be administered by Harris County and Harris County Flood Control District, which has the power of eminent domain authority.

- a. **Allocation Amount:** \$200,000,000
- b. **Eligible Entities:** Harris County and will operate this program in partnership with Harris County Flood Control District.
- c. **Eligible Activities,** HCDA Section 105(a)(1), 105(a)(7-8) 105(a)(24-25)
 - i. Buyouts;
 - ii. Acquisition;
 - iii. Relocation Assistance with buyout or acquisition activation (URA required).
 - iv. Down-payment Assistance, which can be combined with buyout, or acquisition activities;
 - v. Demolition only;
 - vi. Housing incentives
 - vii. Activities designed to relocate families to a location of reduced flood risk;
 - viii. Public service within the 15 percent cap (e.g., housing counseling, legal counseling, job training, mental health, and general health services);
 - ix. FEMA Hazard Mitigation Grant Program (HMGP) cost share.
- d. **Ineligible Activities:** Incentive payments to households that move to disaster-impacted floodplains with equal or greater risk than their original location. Activities located within the city limits of Houston and/or outside of Harris County are ineligible to participate in the program.
- e. **Program Guidelines:** Harris County will develop guidelines in accordance with CDBG-DR requirements and regulations to set maximum assistance amounts, target area locations, and additional eligibility requirements. Guidelines must be posted for public comment before use. The GLO must approve all guidelines.
- f. **National Objectives:** Low- and moderate-income, elimination of slum/blight, urgent need, low/mod buyout (LMB), and low/mod housing incentive (LMHI).
- g. **Timeline:** The proposed program start date is 30 days after HUD's approval of this Amendment to the Action Plan. The proposed end date is **three years** from the start date of the program.

3. HOMEOWNER REIMBURSEMENT PROGRAM (\$15,000,000)

Harris County will administer the Homeowner Reimbursement Program for eligible expenses incurred by homeowners for repairs to a primary residence prior to application for these funds. Up to \$50,000 per household may be reimbursed.

- a. **Allocation Amount:** \$ 10,000,000
 - i. The program will first be available to low- and moderate-income (LMI) households before being made available to non-LMI households.
- b. **Maximum Award:** \$50,000
- c. **Eligible Activities, HCDA Section 105(a)(4):**
 - i. Expenses incurred by homeowners for repairs to a primary residence prior to application for these funds.
- d. **Ineligible Activities:**
 - i. Forced mortgage payoff;
 - ii. Incentive payments to households that move to disaster-impacted floodplains;
 - iii. Properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for rehabilitation assistance or housing incentives;
 - iv. Rehabilitation/reconstruction of a homes located in the floodway;
 - v. Rehabilitation/reconstruction of a house in which:
 - 1. The combined household income is greater than 120 percent AMI or the national median;
 - 2. The property was located in a floodplain at the time of the disaster; and
 - 3. The property owner did not maintain flood insurance on the damaged property, even when the property owner was not required to obtain and maintain such insurance.
 - i. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) states that no Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for “repair, replacement, or restoration” for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. The program may not provide disaster assistance for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.
 - ii. Homeowners located within the city limits of Houston and/or outside of Harris County are ineligible to participate in the program.
- e. **Eligibility Criteria for Assistance:**
 - i. Home must have been owner-occupied at the time of the storm;
 - ii. Home must have served as primary residence;
 - iii. Home must be located within Harris County and outside the city limits of Houston;
 - iv. Home must have sustained damage from Hurricane Harvey;
 - v. Duplication of benefits review;

- vi. All applicants and co-applicants must be current on payments for child support;
- vii. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws;
- viii. Applicant must be a U.S. Citizen or eligible resident;
- ix. Home must be environmentally-cleared;
- x. Property owners receiving disaster assistance that triggers the flood insurance purchase requirement have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance in writing and to maintain such written notification in the documents evidencing the transfer of the property, and the transferring owner may be liable if he or she fails to do so.
- xi. Subrogation Agreement: Assisted homeowners must agree to a limited subrogation of any future awards related to Hurricane Harvey to ensure duplication of benefits compliance. Assisted homeowners must agree to repay any duplicative assistance if they later receive other disaster assistance for the same purpose.
- xii. Unsecured Forgivable Promissory Note:
 - 1) Assisted homeowners are required to maintain principal residency in the assisted property for three (3) years. Cash-out refinancing, home equity loans or any loans utilizing the assisted residence as collateral are not allowed for three (3) years. A violation of this policy will activate the repayment terms of the Note.
 - 2) Taxes are to be paid and in good standing for the properties assisted. Homeowners may be on a payment plan, but it needs to be submitted to the Subrecipient.
 - 3) Insurance must be maintained at the assisted property. Hazard, flood (if applicable), and windstorm (if applicable) will be monitored for the three-year period.

f. **National Objective:** Low- and moderate-income and urgent need.

g. **Timeline:** The proposed program start date is immediately after HUD's approval of this Amendment to the Action Plan. The proposed end date is **three years** from the start date of the program.

4. **HOMELESSNESS PREVENTION PROGRAM (\$7,500,000)**

Harris County will administer the Homelessness Prevention Program. The program will consist of three primary activities with the sole purpose of preventing homelessness in the region following Hurricane Harvey. This program will be limited only to low- and moderate-income households.

a. **Allocation for program:** \$7,500,000

b. Eligible Activities HCDA Section 105(a)(8) and 105(a)(20):

- i. **Short-term Mortgage Assistance** – The Short-Term Mortgage Assistance to deliver up to \$10,000 to assist LMI households with mortgage payments on their primary residence. Mortgage assistance may not exceed 20 months. This program is intended to prevent foreclosure or predatory, low value buyouts of homes in the impacted areas and ensure that households can continue down the road to recovery

without the imminent threat of homelessness. Applicants must be delinquent on mortgage payments to be eligible.

- ii. **Utility Assistance** – Utility Assistance Program will provide assistance up to \$1,000 to low- and moderate-income households to meet immediate utility needs. Utility assistance may include electricity, gas, wastewater, water and other utility bills and deposits.
- iii. **Tenant-Based Rental Assistance** – Tenant-Based Rental Assistance will deliver rental assistance to low- and moderate-income households in need of housing. This program may include up to 24 months of rental assistance, including security deposit and utility deposit. This program will be administered using HUD-published Fair Market Rent (FMR), and the maximum award amount per household will be tied to FMR.
- c. **Eligibility Criteria:** Further guidance will be available in the program guidelines.
- d. **Ineligible:** Activities located within the city limits of Houston² and/or outside of Harris County are ineligible.
- e. **National Objective:** Low- and moderate-income

Timeline: The proposed program start date is immediately after HUD’s approval of this Amendment to the Action Plan. The proposed end date is three years from the start date of the program.

5. AFFORDABLE RENTAL PROGRAM (\$221,629,991)

Harris County will administer the Affordable Rental Housing Program. The program has been designed to provide funds for acquisition,³ rehabilitation, reconstruction, and new construction of affordable multi-family housing projects in areas impacted by Hurricane Harvey. The GLO’s Notice of Funding Availability (NOFA)/Request for Proposals will establish the application process and acceptance period, threshold criteria (including applicable building codes), selection criteria, and the award process.

- a. **Allocation for Activity:** \$226,629,991
- b. **Maximum Award:** \$25 million per development (Harris County may request a waiver to exceed on a case by case basis)

² Persons identifying as homeless as a result of Hurricane Harvey may be assisted anywhere in Harris County including within the limits of the City of Houston as part of the regional homelessness assistance system.

³ Acquisition funding will be made available under the Acquisition Program, and may be combined with the Affordable Rental Program for certain projects.

- c. **Eligible Applicants:** Acting individually or as participants in a limited partnership (LP) or limited liability corporation (LLC):
 - i. For-profit Developers/ Borrowers;
 - ii. Public housing authorities;
 - iii. Units of local governments;
 - iv. Not-for-profit Developers/ Borrowers.

- d. **Eligible Activity, HCDA Section 105(a)(1), 105(a)(4), 105(a)(9), 105(a)(11), and 105(a)(14-15):**
 - i. Rehabilitation, reconstruction, and new construction of affordable multi-family housing projects.

- e. **Eligibility Criteria:**
 - i. Development must meet CDBG-DR eligibility requirements;
 - ii. Development must be located within Harris County and outside the city limits of Houston except that in certain cases where the City and County partner on projects that provide housing.
 - iii. A minimum of 51 percent of the units must be restricted for twenty (20) or more years of an affordability period for low- and moderate-income (LMI) individuals earning 80 percent or less of the Area Median Family Income (AMFI) at affordable rents.
 - iv. The affordable rents must comply with High HOME Investment Partnership (HOME) Rents and other existing Land Use Restriction Agreement (LURA) restrictions, if applicable.
 - v. Property Types: Multi-family rental development is eight or more rental units under common ownership.
 - vi. The Harris County Affordable Rental Program Notice of Funding Availability (NOFA)/Request for Proposal will clearly establish the application process and acceptance period, threshold criteria (including applicable building codes), selection criteria and the award process.
 - vii. Project construction must be completed within 18 months of the effective date of the contract, unless otherwise extended.

- f. **Ineligible:** Developments located outside of Harris County are ineligible. Developments located inside the City of Houston are also ineligible except in the case stated above under Eligibility Criteria: item ii regarding partnerships between the jurisdictions.

g. Primary Selection Criteria:

- i. Located in High Opportunity Zones; and areas of revitalization as demonstrated by other public and/or private investments in such areas.⁴
- ii. Targets extremely low-income (30 percent AMFI);
- iii. Exceeds the number of LMI units eligibility requirement;
- iv. Serves persons with disabilities beyond minimum requirements;
- v. Leverages public and private financing; (may request waiver to fully fund certain developments to expedite project completion)
- vi. Activity type; and
- vii. Cost-effectiveness.

h. National Objective: Low- and moderate-income

- i. **Timeframe:** The proposed program start date is immediately after HUD's approval of this Amendment to the Action Plan. The proposed end date is three years from the start date of the program.

6. HARRIS COUNTY SINGLE FAMILY NEW CONSTRUCTION PROGRAM (\$115,000,000)

Harris County struggled to keep pace with housing demand pre-Hurricane Harvey, and now the ability to provide a comprehensive single family focused development solution, associated with Hurricane Harvey recovery are even more exacerbated. Over the next 4 years, Harris County in partnership with the Harris County Flood Control District, will be acquiring through a buyout program funded by Hazard Mitigation Grants and CDBG-DR approximately 2,000 homes. In a period where the local housing stock is low or in flood prone areas, quality replacement homes, especially affordable homes, will be impossible to find in Harris County. Add to this the dismantling of whole communities after a buyout program.

The Harris County Single Family New Construction Program will replace affordable single-family housing stock by developing new housing in areas of reduced risk of flooding. To meet this challenge, Harris County will implement innovative solutions for promoting and partnering with local homebuilders to create new inclusive communities that offer a wide variety of housing choice and construction solutions that lends toward resilience investments.

As a public/private partnership approach, Harris County will build on national community development & housing finance models that promote quality larger scale neighborhood development for LMI families that is context sensitive and aims toward implementing mixed-income/mixed use development styles. LMI families affected by flooding especially those experiencing repetitive flooding, will enjoy opportunities to relocate with their neighbors from

⁴As directed by HUD, Harris County will pursue a balanced approach in investing in both High Opportunity areas as well as constructing and improving multi-family affordable housing stock in revitalization areas that may be located near buyout interest areas as a means of improving and preserving community stability.

these flood prone areas, thus preserving community cohesion, sustaining the local tax base, and local institutions such as schools, and other community assets.

The program will specifically link new single-family construction investments with LMI families, and the CDBG-DR eligibility requirements associated with benefiting LMI individuals earning 80 percent or less of the annual Area Median Family Income (AMFI) levels. Further, a new residential subdivision development would qualify for CDBG-DR eligible investment (e.g., land acquisition, infrastructure development) if occupied by 51 percent or greater low-moderate income area, just as a multi-family complex would qualify that also has 51 percent or greater LMI dedicated units. Harris County will leverage its success with public/private partnerships by identifying and qualifying developer/builder interests that have the prerequisite development experience and financial capacity to mix financing, such as private equity and other non-CDBG-DR funding, for the development of property and the construction of homes above the 80 percent of Area Median Family Income limits.

As a separate initiative under this program, the county will identify LMI target areas in need of community revitalization and that were highly impacted by Hurricane Harvey and other recent disaster events. These areas will need a comprehensive approach to improve housing, infrastructure, and facilities to achieve reduced future flood loss and resilience. It is the county's intent as we improve housing through rehabilitation, reconstruction, and new construction to also improve the neighborhood's drainage and other infrastructure that serve those homes in the LMI target area. For if the drainage and infrastructure are not corrected, any repairs or new construction of housing will be flooded in the next disaster event just as these homes have been affect by 2016 Floods and Hurricane Harvey.

Additionally, this approach will be aligned with the referenced "Balanced Approach" that will invest in both High Opportunity areas as well as improving affordable housing stock in revitalization areas that may be located near Hurricane buyout interest areas as a mean of improving and preserving community stability and cohesion.

Allocation for Activity: \$115,000,000

- a. **Maximum Award:** \$25 million per development/developer (Harris County may request waiver to exceed on a project by project basis)
- b. **Eligible Applicants:** Applicants acting individually or, as participants in a nonprofit corporation, a limited partnership (LP) or limited liability corporation (LLC), other legally formed entity eligible to apply for CDBG-DR funding:
 - i. For-profit Developers/ Borrowers;
 - ii. Public housing authorities;
 - iii. Units of local governments;
 - iv. Not-for-profit Developers/ Borrowers.
- c. **Eligible Activity, HCDA Section 105(a)(1), 105(a)(4), 105(a)(9), 105(a)(11), and 105(a)(14-15):**
 - i. New construction of affordable single-family housing.

- ii. Down Payment Assistance.

d. Eligibility Criteria

- i. Development must meet CDBG-DR eligibility requirements;
- ii. Development must be located within Harris County and outside the city limits of Houston except that in certain cases where the City and County may partner on projects that are adjacent to the city/county line and will serve both City and County residents;
- iii. A minimum of 51 percent of the units must be restricted for low- and moderate-income (LMI) individuals earning 80 percent or less of the Area Median Family Income (AMFI) at affordable rents.
- iv. The sales price for each single family residence will not exceed the HOME and Housing Trust Fund (HTF) Homeownership Value Limits for LMI homebuyers;
- v. Property Types: Single-family development, and in-fill development.
- vi. The Harris County Single Family Development Program Notice of Funding Availability (NOFA)/Request for Proposal will clearly establish the application process and acceptance period, threshold criteria (including applicable building codes), selection criteria and the award process.
- vii. Project construction must be completed within 24 months of the effective date of the contract, unless otherwise extended.

- e. Ineligible:** Developments located outside of Harris County are ineligible. Developments located inside the City of Houston are also ineligible except in the case stated above under Eligibility Criteria: item ii regarding partnerships in projects along the city/county line.

f. Primary Selection Criteria (for contiguous developments):

- i. Located in High Opportunity Zones; and areas of revitalization as demonstrated by other public and/or private investments.⁵
- ii. Includes targets for extremely low-income (30 percent AMFI) homebuyers;
- iii. Meets the number of LMI units eligibility requirement;
- iv. Serves persons with disabilities beyond minimum requirements;
- v. Leverages public and private financing;
- vi. Activity type; and
- vii. Cost-effectiveness.

k. National Objectives: Low- and moderate-income.

- l. Timeline:** The proposed program start date is immediately after HUD's approval of this Amendment to the Action Plan. The proposed end date is four years from the start date of the program.

⁵As directed by HUD, Harris County will pursue a balanced approach in investing in both High Opportunity areas as well as improving affordable housing stock in revitalization areas that may be located near buyout interest areas as a means of improving and preserving community stability.

7. LOCAL INFRASTRUCTURE PROGRAM (\$209,168,492)

Harris County recognizes that as part of a comprehensive long-term recovery program, the repair and enhancements of local infrastructure and mitigation efforts⁶ are crucial components. Infrastructure activities are vital not only for the long-term recovery and restoration of housing but for the long-term recovery and viability of communities. The local infrastructure program will provide disaster relief, long-term recovery, and restoration of infrastructure for Harris County communities impacted by Hurricane Harvey. Each infrastructure activity must demonstrate how it will contribute to the long-term recovery and restoration of housing.

Harris County will operate its local infrastructure program as a subrecipient to the GLO. Harris County cities allocated funding through the local Method of Distribution (MOD) will execute contracts directly with the GLO in which, Harris County will allocate funding and administer.

A. Harris County Commercial Buyout Program (\$12,500,000)

Harris County Commercial Buyout Program will purchase commercial properties in communities that have suffered from multiple disasters or are at a high-risk of suffering from additional disasters, such as properties in the 100-year floodplain. As with residential buyouts, properties targeted for commercial buyout will be located in areas in which Harris County intends to preserve open space or establish flood storage/overflow. This is part of a holistic community approach to help relocate residents and businesses that have been devastated by Hurricane Harvey. Harris County will follow the Uniform Relocation Requirements (URA) and will provide relocation payments and assistance to displaced businesses. Harris County will attempt, as much as possible to help relocate communities in close proximity to original locations to preserve community character and financial structure.

- a. **Allocation Amount:** \$12,500,000
- b. **Eligible Entities:** Harris County and will operate this program in partnership with Harris County Flood Control District.
- c. **Eligible Activities, HCDA Section 105(a)(1), 105(a)(7-8) 105(a)(11)**
 - i. Buyouts;
 - ii. Acquisition;
 - iii. Relocation Assistance with buyout or acquisition activities;
 - iv. Assistance with buyout or acquisition activities;
 - v. Demolition only;
 - vi. Activities designed to relocate businesses outside of floodplains;
 - vii. Public service within the 15 percent cap (e.g., housing counseling, legal counseling, job training, mental health, and general health services);
 - viii. FEMA Hazard Mitigation Grant Program (HMGP) cost share.

⁶ Mitigation efforts - Harris County will take measures to acquire commercial properties located in areas in which Harris County intends to preserve open space or establish flood storage/overflow. This is part of holistic community approach to help relocate residents and businesses to areas in close proximity to original locations to preserve community character and financial structure.

- d. **Ineligible Activities:** Activities located within the city limits of Houston and/or outside of Harris County are ineligible to participate in the program.
- e. **Program Guidelines:** Harris County will develop guidelines in accordance with CDBG-DR requirements and regulations to set maximum assistance amounts, target area locations, and additional eligibility requirements. Guidelines must be posted for public comment before use. The GLO must approve all guidelines.
- f. **National Objectives:** Low- and moderate-income, elimination of slum/blight, and urgent need,
- g. **Timeline:** The proposed program start date is 30 days after HUD’s approval of this Amendment to the Action Plan. The proposed end date is three years from the start date of the program.

B. Harris County MOD (\$120,000,000)

Under the local infrastructure program, Harris County will conduct a County level Method of Distribution (MOD) process. Harris County will encourage the prioritization of infrastructure for direct repair of damaged facilities, FEMA cost share and mitigation, and water and flood control facilities due to the limitations of funds available in this allocation.

Harris County will follow a citizen participation process as a part of the MOD development. Harris County is required to publish notice of any public hearings prior to holding the hearings. Notices shall be published in all newspapers of record for all eligible cities, posted on the Harris County Community Services Department’s website, and provided to all eligible cities in the MOD. Hearings must fully comply with Texas Open Meetings Act.

The final MOD shall be posted on the Harris County Community Services Department’s website for public comment prior to submission to the GLO. The public comment period shall be no less than 14 days. Each comment shall be responded to and any changes made to the final MOD shall be noted in the response section for GLO review. The MODs must be completed 60 days from the GLO submission of the Amendment to the Action Plan to HUD.

Upon completion, Harris County shall submit MOD to the GLO for review and approval.

a. Harris County MOD Requirements:

- i. Harris County will facilitate the MOD process with GLO support;
- ii. Establish objective criteria for allocation of funds to eligible entities or activities (distribution based on, but not limited to, unmet need);
- iii. Citizen participation process:
 - 1. Develop a citizen participation plan;
 - 2. Conduct a minimum of two (2) public hearings prior to finalizing the MOD;
 - 3. One (1) of the public hearings shall be identified as a “Public Planning Meeting;”

4. Personal and website notice must be sent at least five (5) days prior to each public hearing;
 5. Public notice of each hearing must be published in at least one (1) regional newspaper three (3) or more days in advance of the hearing.
 6. Ensure a public comment period of at least 14 days.
- iv. Implement a damage level threshold of \$1,500,000 in CDGB-DR funds to any local entity receiving funding through the MOD;
 - v. Facilitate local prioritization through the MOD;
 - vi. Any funding not applied for or used by the entity allocated funding will be returned to Harris County to be used in their allocation;
 - vii. Any amendments reallocating funding will be published on the Harris County Community Services Department's website for at least 14 days and submitted to GLO for approval. If Harris County cannot expend the funding, the funding will be returned to the State for re-allocation;
 - viii. Reallocation of funds from de-obligated funds and/or cost savings from completed projects will be the discretion of Harris County within cities in Harris County and outside the city limits of Houston;
 - ix. A plan to meet the 70 percent low- and moderate-income benefit requirement;
 - x. Establish any additional parameters for eligibility beyond what is required by HUD or the GLO.

b. **Allocation Amount:** \$120,000,000

c. **Eligible Entities:** Units of local government (cities)

d. **Eligible Activities:** Infrastructure activities must contribute to the long-term recovery and restoration of housing. All activities allowed under CDBG-DR; HCDA Section 105(a)(1-5), 105(a)(7-9), and 105(a)(11), including but not limited to:

- i. Flood control and drainage repair and improvements, including the construction or rehabilitation of storm water management system;
- ii. Restoration of infrastructure (such as water and sewer facilities, streets, provision of generators, removal of debris, bridges, etc.);
- iii. Demolition, rehabilitation of publicly or privately-owned commercial or industrial buildings, and code enforcement;
- iv. Economic development (such as microenterprise and small business assistance, commercial rehabilitation, and special economic development activities, including prioritizing assistance to businesses that meet the definition of a small business);
- v. Public service (such as job training and employment services, healthcare, child care, and crime prevention within the 15 percent cap).

e. Ineligible Activities:

- i. CDBG–DR funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG–DR funds for levees and dams are required to:
 1. Register and maintain entries regarding such structures with the U.S. Army Corps of Engineers National Levee Database or National Inventory of Dams;
 2. Ensure that the structure is admitted in the U.S. Army Corps of Engineers PL 84–99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);
 3. Ensure the structure is accredited under the FEMA National Flood Insurance Program;
 4. Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.
 - ii. Funds may not be used to assist a privately-owned utility for any purpose;
 - iii. Buildings and facilities used for the general conduct of government (e.g., city halls, courthouses, and emergency operation centers);
 - iv. No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by the Federal Emergency Management Agency (FEMA), the Army Corps of Engineers (USACE), insurance, or another source due in part to the restrictions against duplication of benefits outlined in this Action Plan. An activity underway prior to the Presidential Disaster Declaration will not qualify unless the disaster directly impacted said project.
 - v. By law, (codified in the HCD Act as a note to 105(a)), the amount of CDBG–DR funds that may be contributed to a USACE project is \$250,000 or less.
 - vi. Activities located outside of Harris County or within the city limits of Houston are ineligible.
- f. **National Objectives:** Low- and moderate-income, elimination of slum/blight and urgent need.
- g. **Timeline:** The proposed program start date is 30 days after HUD’s approval of this Action Plan. The proposed end date is **four** years from the start date of the program.

C. Harris County Competitive Request for Proposal Program (\$76,668,492)

The Harris County competitive request for proposal (RFP) program will solicit proposals from Harris County and affiliated small cities to repair and rebuild infrastructure/facilities impacted by Hurricane Harvey. The intent of the RFP is to provide funding for local infrastructure improvements to include:

- Improvements to storm-water/drainage
- Expansion of water and wastewater facilities to serve underserved areas of the County
- Construction of roads

- Construction of shelter
- Traffic signal resilience, and
- Other critical infrastructure/facilities repairs and enhancements

After the damage caused by Hurricane Harvey, much needed repairs and enhancements will dramatically improve public, residential, and commercial concerns by mitigation flooding, rescuing storm water on roadways and properties, diverting storm water into the appropriate channels, as well as provide shelter to displaced residents.

- a. **Allocation Amount:** \$76,668,492
- b. **Eligible Entities:** Units of local government (cities)
- c. **Eligible Activities:** Infrastructure activities must contribute to the long-term recovery and restoration of housing. All activities allowed under CDBG-DR; HCDA Section 105(a)(1-5), 105(a)(7-9), and 105(a)(11), including but not limited to:
 - i. Flood control and drainage repair and improvements, including the construction or rehabilitation of storm water management system;
 - ii. Restoration of infrastructure (such as water and sewer facilities, streets, provision of generators, removal of debris, bridges, etc.);
 - iii. Demolition, rehabilitation of publicly or privately-owned commercial or industrial buildings, and code enforcement;
 - iv. Economic development (such as microenterprise and small business assistance, commercial rehabilitation, and special economic development activities, including prioritizing assistance to businesses that meet the definition of a small business);
 - v. Public service (such as job training and employment services, healthcare, child care, and crime prevention within the 15 percent cap).
- ii. **Ineligible Activities:**
 - i. CDBG-DR funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG-DR funds for levees and dams are required to:
 1. Register and maintain entries regarding such structures with the U.S. Army Corps of Engineers National Levee Database or National Inventory of Dams;
 2. Ensure that the structure is admitted in the U.S. Army Corps of Engineers PL 84-99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);
 3. Ensure the structure is accredited under the FEMA National Flood Insurance Program;
 4. Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.
 - ii. Funds may not be used to assist a privately-owned utility for any purpose;

- iii. Buildings and facilities used for the general conduct of government (e.g., city halls, courthouses, and emergency operation centers);
- iv. No disaster recovery assistance will be considered with respect to any part of a disaster loss that is reimbursable by the Federal Emergency Management Agency (FEMA), the Army Corps of Engineers (USACE), insurance, or another source due in part to the restrictions against duplication of benefits outlined in this Action Plan. An activity underway prior to the Presidential Disaster Declaration will not qualify unless the disaster directly impacted said project.
- v. By law, (codified in the HCD Act as a note to 105(a)), the amount of CDBG–DR funds that may be contributed to a USACE project is \$250,000 or less.
- vi. Activities located outside of Harris County or within the city limits of Houston are ineligible.
- iii. National Objectives: Low- and moderate-income, elimination of slum/blight and urgent need.
- iv. Timeline: The proposed program start date is 30 days after HUD’s approval of this Action Plan. The proposed end date is four years from the start date of the program.

8. LOCAL, REGIONAL AND STATE PLANNING (\$55,769,342)

Well thought out and inclusive planning paves the way for effective and efficient implementation of projects and activities. The planning process is iterative, with each phase overlapping and informing the others. Harris County will invest sufficient planning funds to accurately identify unmet needs, which will ensure that projects are implemented in a manner to achieve successful completion.

- a. **Allocation Amount:** \$55,769,342
- b. **Eligible Activities:** Eligible planning, urban environmental design, and policy-planning-management-capacity building activities as listed in 24 CFR 570.205, HCDA 105(a)(12)
- c. **Ineligible Activities:** Planning activities located outside of Harris County or within the city limits of Houston except where such studies intersect hazard mitigation and drainage improvements related to the assets maintained by the Harris County Flood Control District.
- d. **Timeline:** The proposed program start date is immediately after HUD’s approval of this Amendment to the Action Plan. The proposed end date is six years from the start date of the program.

9. ADMINISTRATIVE FUNDS (\$16,741,956)

Harris County administrative costs will not exceed two (2) percent, \$16,741,956 of the Housing Allocation. This is in compliance with the State’s plan. The GLO will allow up to 10

percent of program amounts for costs directly related to implementation of housing activities and 6 percent of infrastructure/non-housing activities. The GLO has capped engineering and design activities at 15 percent of the total project award, unless special services are necessary and are subject to GLO approval. The proposed program start date is immediately after HUD's approval of this action plan amendment. The proposed end date is 5 years from program start date.

Harris County intends to utilize, expend and seek reimbursement for Pre-Award cost, in compliance with 570.200(h), for planning, purchase and expansion of software systems, standing up of intake and call centers for housing programs, program management and administrative functions.

10. NATIONAL OBJECTIVE

It is expected all the national objectives will be utilized in the execution of the Hurricane Harvey recovery effort. For urgent need activities, each subrecipient receiving CDBG-DR funds will document how all activities or projects funded under the urgent need national objective respond to a disaster-related impact identified by the subrecipients. The CDBG certification requirements for documentation of urgent need, located at 24 CFR 570.483(d), are waived for the grants under this notice.

At least 70 percent of the aggregate of CDBG-DR program funds will be used to support activities that benefit low- and moderate-income persons.

V. Citizen Participation

The primary goal of this plan is to provide Harris County residents with definitive opportunities to involve themselves in the recovery process as it pertains to CDBG-DR funds. Harris County is acutely aware of the hardships many are faced within the wake of Hurricane Harvey and strives to provide an ease of access to vulnerable populations struggling to recover.

A. Publication

The Harris County Local Supplemental Action Plan will be a substantial amendment added to the State of Texas' Action Plan. The State's Action Plan can be found at <http://www.glo.texas.gov/recovery/reports/action-plans/index.html> on the GLO website. The County's plan will follow the State's publication requirement to publish the proposed plan or any future amendments on the Harris County Community Services Department (CSD) website at www.csd.hctx.net for a 14 day public comment period. The County will also notify citizens and other interested parties through electronic mailings, social media, and media releases. The county will ensure all citizens have equal access to information about the programs including persons with disabilities and limited English proficiency (LEP). The county will follow its LEP plan in regard to its publications.

Harris County CSD will take comments via USPS mail, email or in person at the following:

Harris County Community Services Department
8410 Lantern Point Dr.
Houston, Texas 77054
Email: plancomments@csd.hctx.net

Comments can also be given at a public hearing on July 10, 2018, 10:00 AM at Harris County Commissioners Court 9th Floor, 1001 Preston, Houston, Texas 77054.

All comments will be accepted June 27, 2018 to July 10, 2018 5:00 PM. A summary of the comments and Harris County's response to each will be made a part of this plan and submitted to the GLO with Harris County's local supplemental action plan.

B. Community Consultation

On April 16, 2018, Harris County officially kicked off its community engagement activities. The county met with local advocates to discuss the need for residential buyout, other homeowner incentives, future citizen participation for recovery from Hurricane Harvey and CDBG-DR, and affirmatively furthering fair housing, especially during and after a disaster. The county's goals for community engagement is to solicit input on needs and unmet needs in the county, provide resource navigation to existing services for immediate and future needs, educate on the CDBG-DR program, and identify and to the best extent possible provide access to remedy any discriminatory practices suffered by county residents as they recover. The county will seek to engage the public, especially vulnerable populations such as low-income and persons with a disability; housing and civil rights advocates; local community leaders; non-profits; business owners; and other area stakeholders. Harris County is providing several methods of engagement:

1. Stakeholder and Focus Group meetings-small group discussions around a specific topic of recovery and unmet needs
2. Community meetings in an Open House style welcoming all the public
3. Community Survey-provided in English and Spanish
4. Community meeting in a Box-allows grassroots community engagement with local moderators leading small groups of neighbors through a series of questions regarding their household's and community's recovery and CDBG-DR.

From May to July 2018, Harris County Community Services Department has conducted a series of community meetings along with our community partners, such as the Texas Organizing Project and BakerRipley (see a list of meetings in the Appendix). These meetings were held throughout the county and included some of the county's small cities. Meeting flyers in English, Spanish and Vietnamese were distributed via local schools, utility districts, local non-profits, social media,

direct email to residents, door to door canvassing, phone calls to residents, text messaging, posting in community buildings, and news media release (radio, print and television). Meetings have averaged 55 persons, with two meetings with attendance over 100 persons. Meetings had language and sign language interpreters available. Discussions by citizens have ranged from the need for a buyout program and need for drainage improvements to individuals expressing personal needs for recovery like home repair options and need for affordable housing. At the meetings, Harris County has hosted groups like Lone Star Legal, HC Housing Resource Center, FEMA and the local county precincts to operate information booths for meeting attendees.

Harris County has conducted two meetings with advocates and subject experts. Attendees included housing providers, Fair Housing advocates, non-profits, housing authorities, universities, environmentalist, engineers, financial providers, builders, faith-based leaders, legal service providers, buyout services providers, and organizations serving disabled populations.

Appendix: Projected Expenditures and Outcomes

Program	Year 1 (2018) Expenditures				
	Prgm. Allocation	Q1	Q2	Q3	Q4
Homeowner Asst Pgm	\$ 211,000,000			1,387,059	2,575,967
Buyout & Acquisition/H.O. Asst.	200,000,000			3,000,000	7,000,000
Reimbursement Program	15,000,000			1,125,000	1,125,000
Homeless Prevention - Rental Asst.	7,500,000			562,500	562,500
Affordable Rental Program	221,629,991			2,216,300	2,216,300
SF New Construction	115,000,000			2,300,000	3,450,000
Buyouts, Commercial	12,500,000			250,000	375,000
Other Infrastructure (MOD)	115,000,000				5,750,000
Infrastructure - Competitive	81,668,492				4,083,425
Planning (5%)	55,769,342	3,903,854	3,485,584	3,485,584	3,067,314
Admin (2%)	16,741,956	213,089	426,179	532,724	958,902
Project Delivery (6%)	63,577,049	656,560	1,313,121	1,641,401	2,954,521
	\$ 1,115,386,830	4,773,504	5,224,883	16,500,567	34,118,929
Funds Remaining:		1,110,613,326	1,105,388,443	1,088,887,876	1,054,768,947

Program	Year 2 (2019) Expenditures				
	Prgm. Allocation	Q1	Q2	Q3	Q4
Homeowner Asst Pgm	\$ 211,000,000	2,377,816	3,170,421	4,755,632	5,548,237
Buyout & Acquisition/H.O. Asst.	200,000,000	12,000,000	18,000,000	15,000,000	15,000,000
Reimbursement Program	15,000,000	1,012,500	1,350,000	2,025,000	2,362,500
Homeless Prevention - Rental Asst.	7,500,000	506,250	675,000	1,012,500	1,181,250
Affordable Rental Program	221,629,991	3,324,450	4,432,600	6,648,900	7,757,050
SF New Construction	115,000,000	5,750,000	7,187,500	7,187,500	8,625,000
Buyouts, Commercial	12,500,000	562,500	750,000	1,125,000	1,312,500
Other Infrastructure (MOD)	115,000,000	1,725,000	2,300,000	3,450,000	4,025,000
Infrastructure - Competitive	81,668,492	1,225,027	1,633,370	2,450,055	2,858,397
Planning (5%)	55,769,342	3,485,584	3,485,584	3,485,584	3,485,584
Admin (2%)	16,741,956	891,265	891,265	891,265	891,265
Project Delivery (6%)	63,577,049	3,703,520	3,703,520	3,703,520	3,703,520
	\$ 1,115,386,830	36,563,912	47,579,259	51,734,955	56,750,303
Funds Remaining:		1,018,205,035	970,625,776	918,890,821	862,140,518

Program	Year 3 (2020) Expenditures				
	Prgm. Allocation	Q1	Q2	Q3	Q4
Homeowner Asst Pgm	\$ 211,000,000	9,591,365	12,788,487	19,182,730	22,379,852
Buyout & Acquisition/H.O. Asst.	200,000,000	13,500,000	20,250,000	16,875,000	16,875,000
Reimbursement Program	15,000,000	562,500	750,000	1,125,000	1,312,500
Homeless Prevention - Rental Asst.	7,500,000	656,250	562,500	375,000	281,250
Affordable Rental Program	221,629,991	9,973,350	13,297,799	19,946,699	23,271,149
SF New Construction	115,000,000	9,142,500	9,142,500	8,280,000	7,935,000
Buyouts, Commercial	12,500,000	937,500	1,250,000	1,875,000	2,187,500
Other Infrastructure (MOD)	115,000,000	6,900,000	9,200,000	13,800,000	16,100,000
Infrastructure - Competitive	81,668,492	4,900,110	6,533,479	9,800,219	11,433,589
Planning (5%)	55,769,342	2,788,467	2,788,467	2,788,467	2,788,467
Admin (2%)	16,741,956	908,169	908,169	908,169	908,169
Project Delivery (6%)	63,577,049	3,980,870	3,827,759	3,827,759	3,674,649
	\$ 1,115,386,830	63,841,080	81,299,161	98,784,044	109,147,125
Funds Remaining:		798,299,438	717,000,277	618,216,232	509,069,107

Projected Expenditures & Outcomes – Cont.

Program	Year 4 (2021) Expenditures				
	Prgm. Allocation	Q1	Q2	Q3	Q4
Homeowner Asst Pgm	\$ 211,000,000	25,847,500	22,155,000	14,770,000	11,077,500
Buyout & Acquisition/H.O. Asst.	200,000,000	12,000,000	10,000,000	10,000,000	8,000,000
Reimbursement Program	15,000,000	675,000	450,000	300,000	75,000
Homeless Prevention - Rental Asst.	7,500,000	262,500	225,000	150,000	112,500
Affordable Rental Program	221,629,991	16,622,249	16,622,249	16,622,249	16,622,249
SF New Construction	115,000,000	7,906,250	7,475,000	7,043,750	6,325,000
Buyouts, Commercial	12,500,000	375,000	312,500	312,500	250,000
Other Infrastructure (MOD)	115,000,000	12,075,000	10,350,000	6,900,000	5,175,000
Infrastructure - Competitive	81,668,492	8,575,192	7,350,164	4,900,110	3,675,082
Planning (5%)	55,769,342	2,760,582	2,091,350	2,091,350	1,422,118
Admin (2%)	16,741,956	768,745	768,745	768,745	768,745
Project Delivery (6%)	63,577,049	3,419,101	3,292,467	3,039,200	2,912,567
	\$ 1,115,386,830	91,287,119	81,092,476	66,897,904	56,415,761
Funds Remaining:		417,781,989	336,689,513	269,791,609	213,375,847

Program	Year 5 (2022) Expenditures				
	Prgm. Allocation	Q1	Q2	Q3	Q4
Homeowner Asst Pgm	\$ 211,000,000	16,606,763	14,234,368	9,489,579	7,117,184
Buyout & Acquisition/H.O. Asst.	200,000,000	6,212,500	5,325,000	3,550,000	2,662,500
Reimbursement Program	15,000,000	337,500	225,000	150,000	37,500
Homeless Prevention - Rental Asst.	7,500,000	247,500	127,500	-	-
Affordable Rental Program	221,629,991	17,841,214	15,292,469	10,194,980	7,646,235
SF New Construction	115,000,000	3,450,000	2,875,000	2,875,000	2,300,000
Buyouts, Commercial	12,500,000	375,000	187,500	62,500	-
Other Infrastructure (MOD)	115,000,000	4,025,000	3,450,000	2,300,000	1,725,000
Infrastructure - Competitive	81,668,492	2,858,397	2,450,055	1,633,370	1,225,027
Planning (5%)	55,769,342	1,045,675	1,045,675	1,045,675	1,045,675
Admin (2%)	16,741,956	796,357	796,357	666,044	637,086
Project Delivery (6%)	63,577,049	2,472,594	2,289,439	2,197,861	2,197,861
	\$ 1,115,386,830	56,268,500	48,298,363	34,165,009	26,594,068
Funds Remaining:		157,107,347	108,808,983	74,643,975	48,049,907

Program	Year 6 (2023) Expenditures				
	Prgm. Allocation	Q1	Q2	Q3	Q4
Homeowner Asst Pgm	\$ 211,000,000	3,863,951	1,783,362	297,227	-
Buyout & Acquisition/H.O. Asst.	200,000,000	3,325,000	1,425,000	-	-
Reimbursement Program	15,000,000	-	-	-	-
Homeless Prevention - Rental Asst.	7,500,000	-	-	-	-
Affordable Rental Program	221,629,991	3,878,525	3,324,450	2,216,300	1,662,225
SF New Construction	115,000,000	3,450,000	1,437,500	575,000	287,500
Buyouts, Commercial	12,500,000	-	-	-	-
Other Infrastructure (MOD)	115,000,000	2,012,500	1,725,000	1,150,000	862,500
Infrastructure - Competitive	81,668,492	1,429,199	1,225,027	816,685	612,514
Planning (5%)	55,769,342	1,087,502	1,045,675	1,045,675	1,003,848
Admin (2%)	16,741,956	396,688	396,688	331,776	317,351
Project Delivery (6%)	63,577,049	1,620,877	1,316,962	1,215,658	911,743
	\$ 1,115,386,830	\$ 21,064,242	\$ 13,679,665	\$ 7,648,320	\$ 5,657,680
Funds Remaining:		26,985,665	13,306,000	5,657,680	-

* Expenditure data assumes a contract start date of September 30, 2018; and pre-award planning costs

Appendix: Harris County Consultations

Date	Location	Parties Represented
Monday, April 16, 2018	Harris County Community Services Department	Focus Group Meeting on Residential Buyout Program LISC, HC Flood Control District, Texas Southern University, Kinder Institute/Rice University, Greater Houston Fair Housing Center, Lone Star Legal, Texas Low Income Housing Information (Texas Housers)
Thursday, May 24, 2018	Harris County Community Services Department	Organizational Stakeholder Meeting on Supplement Amendment to State's Action Plan process and community engagement. Sierra Club, LISC, TOP, HC Flood Control District, SEER, Kinder Institute/Rice University, Greater Houston Fair Housing Center, Lone Star Legal, Texas Low Income Housing Information (Texas Housers)
Wednesday May 30 th 4:30pm to 7:30pm	Crosby Community Center 409 Hare Rd; Crosby, TX 77532	Community Meeting Pct 2-Sheldon, Barrett Station, Crosby, Channelview, Huffman
Thursday May 31 st 4:30pm to 7:30pm	Northeast Community Center (James Driver Park) 10918 Bentley St.; Houston, TX 77093	Community Meeting Pct 2 & 1-Aldine, Airline, El Dorado, Northington-Kentwood, Sherwood Place
Tuesday, June 5 th 8:30am to 11:00am	BakerRipley - Cleveland Campus 720 Fairmont Pkwy; Pasadena, TX 77504	Community Meeting Pct 2-Pasadena, South Houston, Galena Park
Wednesday, June 6 th 4:30pm to 7:30pm	Weekly Community Center 8440 Greenhouse Rd; Cypress, TX 77433	Community Meeting Pct 3 & 4-Bear Creek, Copperfield, Katy, Cypress
Thursday, June 7 th 4:30pm to 7:30pm	Leon Z Grayson/Baldree Community Center 13828 Corpus Christi St; Houston, TX 77015	Community Meeting Pct 2 & 1-Galena Park, Jacinto City, South Houston, Cloverleaf, Sheldon, Channelview
Thursday, June 7 th 7:00pm to 8:00pm	TOP Partner Meeting HD Center 13701 Victoria St. Houston, TX 77015	Community Meeting Cloverleaf, Normandy Crossing, Texas Organizing Project (TOP)
Tuesday, June 12 th 4:30pm to 7:30pm	El Franco Lee Community Center 9500 Hall Rd; Houston, TX 77089	Community Meeting Pct 1-Pearland, Friendswood, Webster, Seabrook

Wednesday, June 13 th 4:30pm to 7:30pm	Phillip Cezeaux Recreation Bldg 100 N. Houston Ave; Humble, TX 77338	Community Meeting Pct 4- Humble, Mercer, Bordersville, North Belt
Thursday, June 14 th 4:30pm to 7:30pm	Baytown Community Center 2407 Market Street; Baytown, TX 77520	Community Meeting Pct 2-Baytown, McNair, Linus, Channelview, Jacinto City, Cloverleaf
Wednesday, June 20 th 1pm to 2pm	Houston Center for Independent Living (CIL)	Focus Group meeting with CIL
Thursday, June 21 st 7:00pm to 8:00pm	Sweet Home MBC 2503 16 th St Galena Park, TX 77547	Community Meeting Galena Park, Jacinto City, Texas Organizing Project (TOP)
Friday, June 22 nd 7:00pm to 8:00pm	Greater New Grove Worship Center 7518 East Mt Houston Rd Houston, TX 77050	Community Meeting Texas Organizing Project (TOP)
Saturday, June 23 rd 7:00pm to 8:00pm	The Rock International Ministries 14814 Lee Road, Humble TX 77396	Community Meeting Texas Organizing Project (TOP)